HOUSE OF REPRESENTATIVES—*Wednesday, April 27, 1988*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, from whom all blessings flow, we offer to You our prayer, praise, and thanksgiving for all the good gifts of life. During this time we are especially aware of the contributions of Your loyal son, Melvin Price, who labored in this place with distinction and commitment for so many years. We are grateful for his dedication to noble tasks and ever mindful of his grace among us. May Your benediction be with him and may Your comforting spirit be with his family and those he loved. We pray this in Your holy name. Amen.

THE JOURNAL

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

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

Mr. SOLOMON. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 271, nays 119, not voting 41, as follows:

[Roll No. 68]

YEAS—271

Ackerman	Berman	Cardin
Akaka	Bevill	Carper
Alexander	Bilbray	Chappell
Anderson	Boggs	Clarke
Andrews	Boland	Clement
Annunzio	Bonior	Coats
Anthony	Bonker	Coelho
Applegate	Borski	Coleman (TX)
Archer	Bosco	Collins
Aspin	Boucher	Combest
Atkins	Boxer	Conte
AuCoin	Brennan	Conyers
Ballenger	Brooks	Cooper
Barnard	Broomfield	Coyne
Bartlett	Brown (CA)	Crockett
Bateman	Bruce	Darden
Bates	Bryant	Davis (MI)
Beilenson	Byron	de la Garza
Bennett	Callahan	DeFazio
DeLay	Jontz	Pickle
Dellums	Kanjorski	Price
Derrick	Kaptur	Quillen
Dicks	Kasich	Rangel
Dingell	Kastenmeier	Ravenel
Donnelly	Kennedy	Rinaldo
Dorgan (ND)	Kennelly	Ritter
Dowdy	Kildee	Robinson
Durbin	Kleczka	Rodino
Dwyer	Kolter	Rose
Dyson	Kostmayer	Rostenkowski
Early	LaFalce	Rowland (GA)
Eckart	Lancaster	Roybal
Edwards (CA)	Lantos	Russo
English	Leath (TX)	Sabo
Erdreich	Lehman (CA)	Saiki
Espy	Lehman (FL)	Sawyer
Evans	Leland	Schaefer
Fascell	Lent	Scheuer
Fazio	Levin (MI)	Schneider
Feighan	Levine (CA)	Schulze
Fish	Lewis (GA)	Sharp
Flake	Lipinski	Shaw
Flippo	Livingston	Shumway
Florio	Lott	Shuster
Foglietta	Lowry (WA)	Sisisky
Foley	Lujan	Skaggs
Ford (MI)	Luken, Thomas	Skelton
Ford (TN)	MacKay	Slattery
Frank	Manton	Slaughter (NY)
Frenzel	Martinez	Smith (FL)
Frost	Matsui	Smith (IA)
Garcia	Mazzoli	Smith (NE)
Gaydos	McCloskey	Smith (NJ)
Gejdenson	McCrery	Solarz
Gephardt	McCurdy	Spratt
Gilman	McEwen	St Germain
Glickman	McHugh	Staggers
Gonzalez	McMillan (NC)	Stallings
Gordon	McMillen (MD)	Stark
Gradison	Mfume	Stenholm
Grandy	Michel	Stratton
Grant	Miller (CA)	Studds
Gray (IL)	Miller (WA)	Sweeney
Gray (PA)	Mineta	Swift
Green	Moakley	Synar
Gunderson	Mollohan	Tallon
Hall (OH)	Montgomery	Tauke
Hall (TX)	Morrison (CT)	Taylor
Hamilton	Morrison (WA)	Thomas (GA)
Hammerschmidt	Mrazek	Torres
Harris	Murtha	Torricelli
Hatcher	Myers	Towns
Hawkins	Nagle	Traficant
Hayes (IL)	Natcher	Traxler
Hayes (LA)	Neal	Udall
Hefner	Nelson	Valentine
Hertel	Nowak	Vento
Hochbrueckner	Oakar	Visclosky
Horton	Obey	Volkmer
Houghton	Olin	Walgren
Hoyer	Ortiz	Watkins
Hubbard	Owens (UT)	Weiss
Huckaby	Packard	Weldon
Hughes	Panetta	Whitten
Hutto	Patterson	Wolpe
Jeffords	Pease	Wyden
Jenkins	Pelosi	Wylie
Johnson (CT)	Pepper	Yates
Johnson (SD)	Perkins	Yatron
Jones (NC)	Petri	
Jones (TN)	Pickett	

NAYS—119

Armey	Burton	Dannemeyer
Badham	Chandler	Daub
Baker	Cheney	Davis (IL)
Barton	Clay	DeWine
Bereuter	Clinger	Dickinson
Bilirakis	Coble	DioGuardi
Bliley	Coleman (MO)	Dornan (CA)
Boehlert	Coughlin	Dreier
Brown (CO)	Courter	Edwards (OK)
Buechner	Craig	Fawell
Bunning	Crane	Fields
Gallegly	Madigan	Schuette
Gallo	Marlenee	Sensenbrenner
Gekas	Martin (IL)	Shays
Gingrich	McCandless	Sikorski
Goodling	McCollum	Skeen
Hansen	McDade	Slaughter (VA)
Hastert	McGrath	Smith (TX)
Hefley	Meyers	Smith, Denny (OR)
Henry	Miller (OH)	Smith, Robert (NH)
Herger	Molinari	Smith, Robert (OR)
Hiler	Moorhead	Snowe
Holloway	Morella	Solomon
Hopkins	Murphy	Stump
Hunter	Nielson	Sundquist
Hyde	Oxley	Swindall
Inhofe	Parris	Thomas (CA)
Ireland	Pashayan	Upton
Jacobs	Penny	Vander Jagt
Kolbe	Porter	Vucanovich
Konnyu	Pursell	Walker
Kyl	Regula	Weber
Lagomarsino	Rhodes	Wheat
Leach (IA)	Ridge	Whittaker
Lewis (CA)	Roberts	Wolf
Lewis (FL)	Rogers	Young (AK)
Lightfoot	Roth	Young (FL)
Lloyd	Roukema	
Lowery (CA)	Rowland (CT)	
Lukens, Donald	Saxton	
Lungren	Schroeder	

NOT VOTING—41

Bentley	Guarini	Richardson
Biaggi	Kemp	Roe
Boulter	Latta	Savage
Bustamante	Mack	Schumer
Campbell	Markey	Spence
Carr	Martin (NY)	Stangeland
Chapman	Mavroules	Stokes
Dixon	Mica	Tauzin
Downey	Moody	Waxman
Duncan	Nichols	Williams
Dymally	Oberstar	Wilson
Emerson	Owens (NY)	Wise
Gibbons	Rahall	Wortley
Gregg	Ray	

□ 1024

So the Journal was approved.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON HUMAN RESOURCES AND INTERGOVERNMENTAL RELATIONS OF COMMITTEE ON GOVERNMENT OPERATIONS TO SIT ON THURSDAY, APRIL 28, 1988, AND FRIDAY, APRIL 29, 1988, DURING THE 5-MINUTE RULE

Mr. WEISS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Human Resources and Intergovernmental Relations of the Government Operations Committee be permitted to meet during the 5-minute rule on Thursday, April 28, 1988, and Friday, April 29, 1988.

Mr. Speaker, this request has been cleared by the ranking minority member.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

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

There was no objection.

□ 1025

OPPOSE MEXICAN DECERTIFICATION

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

Mr. TORRES. Mr. Speaker, I rise today to focus attention on the possible decertification of Mexico in their drug control effort. The President recently certified that Mexico is cooperating fully with the United States in its drug enforcement efforts.

If Congress votes to overturn the President's certification that Mexico has been cooperating fully with the United States in combating drug trafficking, it will do more harm than good in the war against drugs.

In judging Mexico's efforts to assist the United States in the war against illegal drugs, we may fault Mexican efforts in some areas, but we cannot overlook the substantial nature of their contribution and their many recent actions. Drug seizures by Mexican authorities in 1987 were up significantly and crop eradication increased over the 1986 levels. Nearly 10,000 individuals were arrested in Mexico for drug trafficking last year. One-fourth of Mexico's military are deployed in the drug war.

Sixty percent of the Mexican Attorney General's budget is dedicated to the drug war. Since 1982, a total of 155 Mexican agents and soldiers have been killed in antidrug operations, and many more have been permanently disabled.

Surely, this is not a record of failure. These facts just do not present evidence that Mexico has refused to cooperate with our drug control efforts. This is not a record that should be punished.

Furthermore, decertification could become a key issue in the upcoming Mexican Presidential elections. The next likely President of Mexico, Mr. Salinas, has declared one of his national priorities for his country will be the defeat of narcotics trafficking. Decertification would make a more constructive bilateral relationship politically impossible for him. Those political elements in Mexico opposed to closer ties to the United States would get a boost from decertification.

Other bilateral interests will also suffer. Every aspect of our relationship with Mexico including trade, investment, immigration and border area cooperation, will be adversely affected. The decertification resolution is an unnecessary condemnation of a friendly government and one of our most important allies in the war on drugs. It should be opposed.

WE NEED ACID RAIN LEGISLATION NOW

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

Mrs. ROUKEMA. Mr. Speaker, today Prime Minister Brian Mulroney of Canada will address a joint session of Congress and raise an issue of mutual importance to our two countries, that is, the problem of acid rain.

While experts in the field had until recently maintained that only freshwater organisms in inland lakes were vulnerable to acid rain, recent reliable statistics point for the first time to evidence that acid rain is now a major threat to marine life in Atlantic coastal waters.

Last week, the National Audubon Society reported that my home State of New Jersey ranked highest in the Nation in concentrations of acid rain during a monitoring of rainfall in March. My colleagues should know that 37 other States recorded rain with high acid contents.

These disturbing reports force me to call once again on my colleagues in the Energy and Commerce Committee to break the deadlock on this issue. This House must pass a Clean Air Act overhaul this year to eradicate the environmental scourge that is acid rain.

Please, Mr. President, step up the negotiations and conclude an acid rain accord with the Canadians. Where natural resources are in danger, we must help save them before they are forever lost to us.

WE NEED MORE NURSES' TRAINING FACILITIES

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

Mr. CLARKE. Mr. Speaker, one of the effects of Medicare regulations requiring shorter hospital stays is an increase in home health care. This increase will be multiplied many times when Congress passes the legislation sponsored by Representative PEPPER to provide long-term home health care for all chronically ill persons.

The result of this increase in caring for sick people at home will be a need for many more nurses. More nurses will be needed not only to provide good home care but also to train families in caring properly for their sick members at home.

Nurses will require additional training to handle these new responsibilities. Thirty-four States have passed laws which tighten their nurses' training requirements and make them similar. Hopefully, other States will follow. Nurses who now have fewer years for training than the new requirements call for can be grandfathered in and take continuing education.

As we look ahead we are going to need more nurses' training facilities and more financial help for young women going into nursing. We must look for other ways to get them. And we must compensate nurses adequately. It's going to take a lot more good nurses to make home health care work.

FEDERAL GOVERNMENT VERSUS CHICAGO CUB FANS

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

Mr. PORTER. Mr. Speaker, the Federal Communications Commission is about to throw a spit ball at Chicago Cubs fans. The FCC is planning to issue a previously undisclosed final rule to reinstate syndicate exclusivity, which would put superstations, like WGN in Chicago, out of business.

While Cubs fans have already suffered the indignity of seeing their team forced to play under the lights, they are now being kept in the dark by the FCC, which has abandoned standard administrative procedures, and not allowed comment on the new rule by interested parties, or by the public. Cubs fans and nationwide viewers of other WGN programs are now in a game against the FCC team which has sharpened its spikes, scuffed the ball, stolen our signals and, worst of all, not told us where or if the game will be played.

Mr. Speaker, Cubs fans have two outs in the bottom of the ninth. The count is three and two. The ball has been doctored and the umpires are working for the other team. Fans of the team that gave the Nation Ernie Banks and Leo Durocher are at the plate. And now the FCC is about to rule that they have to wear a blindfold.

The FCC should play by the rules, or not play at all.

INDIVIDUAL RECOURSE AGAINST DISCRIMINATION

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

Mrs. KENNELLY. Mr. Speaker, as a Member of the legislature, one of the three branches of Government of this great country, I respectfully call on members of the judicial branch to reconsider their decision to review the right of minorities to sue private individuals in civil rights matters.

Just as we know that governments are made up of individuals we know that individuals are capable of discrimination as reprehensible as the actions of any government.

Just as elected officals should do everything to avoid divisiveness among individuals of different views and opinions, so should members of our Highest Court continue to guarantee all individuals recourse against discrimination regardless of its source. Individuals should not be asked to endure insidious discrimination simply because it emanates from a nongovernmental entity.

American society is still faced with racism as a challenge to overcome.

Supreme Court Justices are the very last ones who should be asking us to set aside this challenge let alone turn in the other direction.

REPEAL THE TRANSPONDER MANDATE

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

Mr. CRAIG. Mr. Speaker once again, the Federal Government has mandated a national policy that refuses to consider regional differences. I am speaking of laws passed by this Congress, and subsequent regulations proposed by the Federal Aviation Administration, that force small aircraft owners to purchase and install mode C transponders.

While the transponder requirement may be justified in large, metropolitan areas, it is certainly not necessary in areas like Caldwell, Moscow, and Sandpoint, ID. Even Idaho's busiest airport in Boise lacks the concentrated air traffic that would justify the high cost of installing transponders.

Yet most of these aircraft fall under the congressional transponder mandate and the proposed FAA rules that accompany it. Mode C transponders will be required in any plane that makes just one flight per year into Boise, or even into Coeur d'Alene, which happens to be on the edge of the Spokane airport's radar scope.

This requirement is unnecessary in Idaho, unfair to my constituents, and unacceptable to me. To address this problem, I am introducing legislation to repeal the congressional mode C transponder mandate. My bill, which is a companion measure to S. 2317, will not limit the FAA's ability to ensure safe conditions in our airspace. It will give the FAA the flexibility to mandate mode C transponders only in areas where they are truly needed.

LEGAL SERVICES CORPORATION LOBBYING EFFORT

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

Mr. VISCLOSKY. Mr. Speaker, recently the board of the Legal Services Corporation [LSC] hired two law firms to lobby Congress to reduce funding for the Legal Services Corporation. Upon learning of the board's decision, I do not know if I was more confused or more astonished.

In explaining the board's decision, LSC President John Bayly stated that the organization had made "something of an innovation in Government relations" and that reduced funding would improve delivery of legal services to the poor by prompting voluntary aid by private lawyers and others.

Again, I did not know if I was more confused or more astonished at this logic.

The Legal Services Corporation provides vital and necessary legal services to the economically needy. Until this year, President Reagan, in his budget requests, had recommended zero funding for LCS. Congress has repeatedly rejected this recommendation. Instead, I wish that we could have increased funding for LSC. However, I realize the economic constraints that we labor under. Nevertheless, it is clear from our consistent funding actions that Congress recognizes the importance and value of the services provided by the LSC.

Once the board's decision became public, congressional outrage was swift and the board wisely decided to reverse its earlier action, which obviously contradicted congressional intent and may have been illegal. I can only hope that, in the future, the board would expend as much time, energy, and creativity in serving those in need as they do in pursuing their own agenda.

WHERE IS THE DEMOCRATIC LEADERSHIP ON THE ACID RAIN ISSUE?

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

Mr. CONTE. Mr. Speaker, for years now, the President has been an easy target to hit when it comes to acid rain. They've portrayed the President as a one man show in the effort to kill acid rain control—as the Goliath with the power to stop any Federal response.

Well, let me tell you. He has a lot of help from my friends across the aisle. Just look at the track record of the Democrats over the past several years.

An acid rain bill has never been reported from the democratically controlled Energy and Commerce Committee.

The Democratic leadership has never allowed the House to vote on an acid rain bill, and the first time an acid rain bill was ever reported from a Senate committee was during Republican control.

It's true. The administration is no great supporter of acid rain control, but where is the Democratic leadership in Congress? Where is the acid rain bill to present to the President? When will the House be given its first opportunity to vote on an acid rain bill?

It's time that we stop talking about causes of acid rain, stop spending billions on more research and start getting the job done—before it's too late.

Delaying on acid rain is an environmental gamble that we cannot afford to take.

PALESTINIAN PEOPLE DESERVE THE RIGHT OF SELF-DETERMINATION

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

Mr. TRAFICANT. Mr. Speaker, last night Ted Koppel and ABC had a special on the Israeli-Palestinian matter. It was tremendous.

ABC-TV and Ted Koppel must be commended for tackling this controversial matter. The problem is that ABC and Ted Koppel are about the only Americans doing anything about it. It seems that Congress has turned its back on this issue and the silence in Washington is still deafening.

The Palestinian people deserve the right of self-determination. They deserve their own free nation and they must be recognized as a free nation.

The Palestinians as well must recognize Israel as a sovereign nation and America must stand with Israel but that does not mean we, here in America, should turn our back on the Palestinian people.

It is time for America to push peace; get everybody in that troubled region to sit down. It should not be Ted Koppel and ABC; it should be the leaders of America who have invested a lot of money, our taxpayer dollars in the Mideast.

I say that the Palestinian people are also God's children and America should treat everybody the same.

I hope the Congress would listen and that more Members would speak out on this issue.

Thank God for the courage of ABC-TV.

THE BOUNTY HUNTER ACT OF 1988

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

Mr. SCHULZE. Mr. Speaker, today I am introducing the Bounty Hunter Act of 1988. This legislation will reward those who turn in drug dealers by giving the informants half of the dealers' assets. Back in the wild West, you could make $50 or $100 for turning in criminals. Some made a living doing this and they were called bounty hunters. Drug pushers today have more than just a horse and a gun—they have mansions and yachts, and buy furs and fancy cars. Receiving half of that ill-gotten booty is appropriate compensation for putting dealers and pushers behind bars. Let's eliminate the incentive for young people who see the dealers profit from drugs. Crime shouldn't pay, but stopping crime should.

FLYING IN AMERICA IS HEALTHIER AND SAFER

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

Mr. DURBIN. Mr. Speaker, the House of Representatives can take pride in the vote we cast on July 13, 1987. As a direct result of our vote in favor of an amendment to ban smoking on flights of 2 hours or less, flying in America is healthier and safer. Beginning last Saturday, April 23, over 80 percent of the airline passengers in America are enjoying smoke-free flights, and the report so far is that we have made a smooth transition under this new law.

Equally important, Mr. Speaker, we have triggered another national debate on smoking and health. My colleagues cannot pick up a newspaper or turn on the television without hearing about the dangers of tobacco. There is more to be done on Capitol Hill.

Mr. Speaker, we need to make this ban on smoking on shorter flights permanent. At the present time it is only to last for 2 years. We need to extend the ban to all airline flights. If it is sensible from a health and safety viewpoint on short flights, it is equally sensible on longer flights.

We also need to restrict the sale of tobacco products to our young Americans who can be hooked for life on this fatal habit. America is way ahead of its elected officials on this issue. For the health of our Nation we must continue our efforts to promote sensible regulation of smoking.

IT IS TIME TO TAKE ACTION ON ACID RAIN

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

Mr. BOEHLERT. Mr. Speaker, today, as we receive the Prime Minister of Canada, we should stand tall and applaud enthusiastically for the leader of our good neighbors to the north, a nation for whom we have such great respect and so much in common, is one of our best friends in the world, and best friends are hard to come by.

Mr. Speaker, there is so much that unites these two great nations, the United States and Canada. We are working out the free trade agreement harmoniously. We have solid cooperation on mutual defense characterized by our commitment to NATO.

But, when we come to our environment, our friends to the north think we have taken leave of our senses. We turn our backs on, rather than embrace, meaningful action on acid rain. We repeat: study, study, study like it is some form of mantra. This cancer in the sky is destroying our Nation.

Mr. Speaker, Governor Kean of New Jersey said it well. If all we do is study the problem, we will end up with the best-documented environmental disaster in history.

It is time for action on acid rain. The President should listen to the Prime Minister, and we should respond.

NATIONAL DOWN'S SYNDROME MONTH

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

Mr. DARDEN. Mr. Speaker, today I am introducing a resolution to designate October 1988 as "National Down's Syndrome Month."

I introduced a similar resolution last year, and it received the enthusiastic support of a majority of the Members of the House. Down's syndrome is a chromosomal disorder which usually causes delays in physical and intellectual development. The exact cause and prevention of Down's syndrome are currently unknown, and there is a wide variation in mental abilities, behavior, and physical development in individuals with this condition.

One-quarter of a million families in the United States are affected by Down's syndrome, and 600 people with this disorder may live in each of the 435 congressional districts.

This annual effort to designate October as "National Down's Syndrome Month" is intended to create greater public awareness and a better understanding of Down's syndrome. I urge my colleagues to support this resolution.

ETHICS REFORM

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

Mr. SMITH of Texas. Mr. Speaker, Americans want to know why Congress has not yet applied "revolving door" laws to itself. It is time that we respond. But we must be careful to avoid subjecting this body to unreasonable restrictions on our ability to represent those who have elected us.

The ethics bill recently passed in the Senate is paved with good intentions, but that is about all. In fact, much of the Senate debate centered on whether the bill can eventually pass constitutional muster. The bill would effectively prohibit Members of the House from receiving information or advice from former colleagues. The result could be a weakening of our representative Government and, for Members, a life after Congress that is shackled by an unfair, burdensome, and financially punishing law.

We and our Government benefit as no other in being rejuvenated by regular infusions of talented and concerned citizens. This would not be possible if employment opportunities were unduly restricted when individuals return to the private sector. As we consider ethics reform in the next few weeks, we must work to fashion a bill that is responsive to the public's real concern and the needs of this great institution and that protects the special relationship that elected Members have in representing constituents.

THE FAA'S FAILURE TO INVESTIGATE TEXAS AIR

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

Mr. DEFAZIO. Mr. Speaker, 2 years ago there was a consumer crisis in aviation for airline passengers, yet the FAA ignored it. They failed to act until the House took action, until we passed legislation in this body last year. Then they adopted a watered-down consumer protection provision. I drew a parallel to today's so-called comprehensive investigation of Continental and Eastern Air Lines. Until recently, the FAA denied that there were catastrophic management problems with Texas Air and abuses by the management of that conglomerate. That was until a House Concurrent Resolution 262, began to gain support in this body with almost 200 cosponsors. I believe that they have gone forward again with a watered-down attempt to divert legislation that is necessary in this House.

Mr. Speaker, I urge my colleagues to still support and vote for House Concurrent Resolution 262 so that we can

have a full, and complete and comprehensive investigation of Texas Air and its subsidiaries.

CLEAN AIR

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

Mr. SHAW. Mr. Speaker, there is a great need for better air pollution control and environmental management in our country today. We do not rely enough on our technological resources, nor do we sufficiently encourage the development of new technology to achieve significant air quality improvements consistent with community growth and industrial expansion.

If Congress can produce flexible legislation that will provide effective environmental protection and make it cost effective, we can then rely upon the entire cooperation of the entire Nation.

Mr. Speaker, the solution to the problem of air quality control will be a long-term solution incorporating national resources, not a short term fix it, simply slapping decade-old controls which apparently are not doing the job today.

Extension of the deadlines for EPA sanctions will not solve anything.

Mr. Speaker, I voted against all of these extensions for EPA's sanctions and will continue to do so until we come up with a workable plan to solve the problem permanently.

STEROID USE IN AMERICA

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

Mr. LUNGREN. Mr. Speaker, as we talk about the difficulty in dealing with the drug problem that besets us today, there is one insidious problem that unfortunately has not gotten the attention that I believe it needs. That is the problem of steroid use in America. There is particular difficulty in dealing with this because it affects in many cases our young people who believe it is the path toward either professional football careers, or body building, or something else good. In fact, use of steroids is particularly damaging to young people as they go through their growth years. It also has tremendous problems with respect to development of cancer, kidney disease, heart disease, and so forth.

Mr. Speaker, unfortunately some of our institutions, among them including the NFL, have not taken a serious enough approach to them and have left the idea that somehow this is a secret medicine that people can use to build themselves stronger and stronger. Unfortunately, it leads them down to the path of difficulty in development and also destruction and death.

Mr. Speaker, I hope that Members would look at this legislation that I have introduced to place on the Controlled Substance List at least one of those steroids, the so-called D-ball. or Dianabol which has been found by the FDA to have absolutely no medical use whatever in this country. People are making hundreds of thousands, if not millions, of dollars trading in this sort of thing, and it is time that we took a firm stand here on the Federal level.

□ 1050

WHY ARE WE SENDING ACID RAIN TO CANADA?

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

Mr. GREGG. Mr. Speaker, today when Prime Minister Mulroney addresses the joint session I am sure he will be too polite to say it, but what he should say to us as a body is, "Why are you doing this to us, your neighbor? Why do you continue, the United States, to send pollution to us in the form of acid rain to destroy Canadian forests, to destroy Canadian aquatic life, to destroy our culture and our economic viability?"

He will be too kind to say that, but he should walk right down here on the floor of the House and address us and say, "Please take action in the area of acid rain. It is critical to our international relationship. Instead of sending us this dark cloud of poison known as acid rain, send us friendship and send us warmth and send us clouds. Instead of sending us the toxicity that comes from the sulphur emissions of these coal-fired plants in the Midwest, clean up your Midwest and clean up your coal-fired plants so that we can have an honest and fair relationship."

This is what the Prime Minister wants and it is what we as a nation and a good neighbor deserves to give Canada. We should no longer continue down the path of bad neighbors, but should go down the path of good neighbors and address the acid rain issue in a way which will reduce this toxic waste which we are now dumping on our neighbor to the north, Canada.

OUR SOLID WASTE CRISIS

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

Mr. COURTER. Mr. Speaker, yesterday I introduced legislation that addresses the adverse effects of improper disposal of solid waste on the environment and that hopefully creates increased opportunities for making recycling of wastes a success at the local level.

We all recognize the landfill crisis facing our Nation today. As States and local governments come to grips with planning for their long-term needs for properly disposing of wastes, several messages are usually repeated. Perhaps most importantly, we see the strong benefits of recycling, but many institutional barriers for making it an effective part of local solid waste management programs remain. New Jersey has taken a leadership role in moving forward with important new recycling programs which will help us come to grips with our solid waste disposal needs.

In developing the legislation that I introduced, I have identified two principles that should be considered in deciding what the next steps should be. First, we should make sure that we have available all the options for all of the principle materials that make up municipal waste—including paper, glass, aluminum, and other metals.

We have become a packaged society. We value the convenience foods we can enjoy so readily. We welcome the ease of opening the freezer and enjoying a wide range of food choices. We enjoy the choice of aluminum, glass, and now plastic beverage bottles packaged in many ways.

It is the byproducts of that convenience—the packaging materials made from paper, metals, glass, plastics, ceramics, and aluminum and coated with a wide variety of printing inks and other potentially hazardous materials—that have become an increasing part of municipal wastes.

We cannot continue to ignore the adverse environmental impacts of improper disposal of these and other waste materials. The number of municipal sanitary landfills has shrunk from about 18,500 in 1979 to less than 10,000 today.

That brings me to the second principle—that of encouraging further progress at the national level on recycling. Clearly State and local governments should have the primary responsibility for developing municipal recycling programs. They are very closely tied to local municipal services. At the same time, there are some important assistance tools that the Federal Government can provide to encourage and facilitate recycling.

For any recycling system to be successful there are four components which must be in place. First, the recyclable material must be collected. Next, the material must be sorted into generic type, if the collection system involves mixed products. Then the quality of the recovered material must be enhanced through reclamation. And finally, the recycled material must be sold into adequate end-use markets.

Although we have seen great strides in recycling of paper, glass, and alumi-

num in the past, plastics is a relative newcomer to recycling. This probably results from the tremendous increase in recent years in the use of plastic packaging materials.

The legislation that I introduced hopefully deals with these issues in a constructive manner. My bill tackles these problems in several ways.

First, the bill designates the Center for Plastics Recycling Research—at Rutgers University in New Jersey—as the national center for plastics recycling. The center shall establish and operate a clearinghouse of information relating to plastics recycling. It will select four other colleges and universities to assist in conducting research activities. These satellite centers will develop new uses for recycled plastic materials.

Next, the bill establishes a program within the Department of Education to develop educational programs for secondary school students and others on the dangers of improperly disposed of wastes and of the benefits of recycling. If we can convince our next generation to take a closer look at the importance of recycling, we can probably do much to ensure the success of recycling efforts everywhere.

Additionally, the bill establishes a national clearinghouse on recycling information. The National Bureau of Standards under the Department of Commerce has long had a strong role in technology information areas and would be an appropriate source of information for citizens and governments.

Also included in the bill is an expanded study requirement regarding other than plastics wastes, to be coordinated with the study on plastic wastes required under the Marine Plastic Pollution Research and Control Act. This expanded study will provide for a comprehensive study of all improperly disposed of articles.

Finally, I have included a demonstration program to encourage new and innovative approaches to recycling efforts. The scope of these efforts will include facilitating collection and separation of recyclable wastes, identification of outlets for recyclable materials, use of recyclable materials, and development of waste to energy facilities.

We must solve our solid waste crisis. Increased recycling of plastic and other wastes and better disposal practices are much of the answer. I hope my colleagues will join me in this effort to provide those answers.

THE NEED FOR ASAT TESTING

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

Mr. McEWEN. The Soviet Union publicly announced a moratorium on coorbital Asat testing in August 1983. What they failed to say was they were not going to stop testing the booster that the coorbital Asat is launched on, or using the tracking system needed to locate U.S. spacecraft, or developing the targeting solutions for U.S. spacecraft. Nor did they say they would stop enhancing their guidance system required to locate and home-in on the target spacecraft.

They also failed to say they would stop developing laser systems or dismantle the antiballistic missile systems that could be used as an Asat. And they did not say that space systems were excluded from their doctrine to use electronic warfare techniques against enemy warfighting systems.

No, all the Soviet Union did was say that they no longer needed to test a system that they began developing in the 1960's, declared operational in the seventies and had successful results with for a decade. So, what they have done is use a unilateral declaration to play to world opinion and to allow some Members of Congress to force the United States to stand down from even developing its own capability.

Now, why allow the Soviet Union to maintain control over space?

I believe that we should end this moratorium and get on with our national policy of deterring Soviet aggression.

U.N. SECURITY COUNCIL SHOULD PROMPLTY PASS AN ARMS EMBARGO AGAINST BELLIGERENCE IN IRAN-IRAQ WAR

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

Mr. KASICH. Mr. Speaker, last July the United Nations approved Resolution 598, the cease-fire resolution against the belligerents in the Iran-Iraq war. It is obvious to everyone that that cease-fire has been essentially meaningless, only to express the sense of the United Nations when it has come to the idea.

Yesterday I introduced a further resolution that calls on the United States to approach the U.N. Security Council to promptly pass an arms embargo against the belligerents in the Iran-Iraq war.

It is my belief that this can be one central feature in ending this war. If we can starve the belligerents in this conflict from getting further shipments of weapons, perhaps we can force both sides to the table to end this most brutal of wars. At the same time, it would benefit the United States and benefit the entire free world by removing so many of the risks that we face on a day-to-day basis by having our people out in the gulf trying to insure freedom of navigation.

Mr. Speaker, I would urge my colleagues to join me on this resolution and to call on the United States to do everything we possibly can to approach the United Nations to embargo arms to the belligerents in the Iran-Iraq war and let the United States take the high ground and the leadership position in bringing an end to this war.

NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 1989

The SPEAKER. Pursuant to House Resolution 435 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4264.

□ 1157

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4264) to authorize appropriations for the fiscal year 1989 amended budget request for military functions of the Department of Defense and to prescribe military personnel levels for such Department for fiscal year 1989, to amend the National Defense Authorization Act for fiscal years 1988 and 1989, and for other purposes, with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, April 26, 1988, all time for general debate had expired.

Pursuant to the rule, the substitute committee amendment now printed in the reported bill, as modified by the amendments contained in section 4 of House Resolution 435, is considered as an original bill for the purpose of amendment and is considered as having been read.

An amendment striking out section 902 of said substitute, as modified, is considered as having been agreed to.

The text of the committee amendment in the nature of a substitute, as modified, as amended, is as follows:

H.R. 4264

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Defense Authorization Act, Fiscal Year 1989".

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS.

This Act is divided into three divisions as follows:

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

(3) Division C—Other National Defense Authorizations.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

PART A—FUNDING AUTHORIZATIONS

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Army as follows:

(1) For aircraft, $2,958,988,000.

(2) For missiles, $2,686,700,000.

(3) For weapons and tracked combat vehicles, $2,966,100,000.

(4) For ammunition, $2,026,600,000.

(5) For other procurement, $4,242,818,000, of which—

(A) $895,671,000 is for tactical and support vehicles;

(B) $2,504,499,000 is for communications and electronics equipment; and

(C) $875,948,000 is for other support equipment.

SEC. 102. NAVY AND MARINE CORPS.

(a) AIRCRAFT.—Funds are hereby authorized to be appropriated for procurement of aircraft for the Navy for fiscal year 1989 in the amount of $8,936,466,000.

(b) WEAPONS.—Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement of weapons (including missiles and torpedoes) for the Navy in the amount of $5,823,802,000. Funds appropriated pursuant to the preceding sentence shall be available as follows:

(A) For ballistic missile programs, $1,872,538,000.

(B) For other missile programs, $3,056,358,000.

(C) For torpedo programs, $699,054,000, as follows:

For the MK-48 torpedo program, $431,014,000.

For the MK-50 torpedo program, $198,547,000.

For the Vertical Launched ASROC program, $17,552,000.

For the modification of torpedoes and related equipment, $3,289,000.

For the torpedo support equipment program, $25,988,000.

For the antisubmarine warfare range support program, $22,664,000.

(D) For other weapons, $108,440,000, of which $19,449,000 is for the MK-15 close-in weapon system and $54,557,000 is for the close-in weapon system modification program.

(E) For spares and repair parts, $87,412,000.

(c) SHIPBUILDING AND CONVERSION.—Funds are hereby authorized to be appropriated for fiscal year 1989 for shipbuilding and conversion for the Navy in the amount of $9,056,100,000. Funds appropriated pursuant to the preceding sentence shall be available as follows:

For the Trident submarine program, $1,368,100,000.

For the SSN-688 nuclear attack submarine program, $1,493,600,000.

For the SSN-21 nuclear attack submarine program, $1,488,000,000.

For the aircraft carrier service life extension program (SLEP), $135,400,000.

For the DDG-51 guided missile destroyer program, $2,207,300,000.

For the LHD-1 amphibious assault ship program, $737,500,000.

For the MHC coastal minehunter program, $197,200,000.

For the TAO-187 fleet oiler program, $284,900,000.

For the AO (Jumbo) conversion program, $84,900,000.

For the TAGOS ocean surveillance ship program, $159,600,000.

For the AOE fast combat support ship program, $363,900,000.

For the landing craft, air cushion (LCAC) program, $192,600,000.

For outfitting and post delivery, $343,100,000.

(d) OTHER PROCUREMENT, NAVY.—(1) Funds are hereby authorized to be appropriated for fiscal year 1989 for other procurement for the Navy in the amount of $5,097,386,000. Funds appropriated pursuant to the preceding sentence shall be available as follows:

(A) For the ship support equipment program, $675,240,000.

(B) For the communications and electronics equipment program, $1,599,164,000.

(C) For aviation support equipment, $653,250,000.

(D) For the ordnance support equipment program, $1,220,671,000.

(E) For civil engineering support equipment, $109,061,000.

(F) For supply support equipment, $126,495,000.

(G) For personnel and command support equipment, $486,309,000.

(H) For spares and repair parts, $227,196,000.

(2) Of the funds appropriated or otherwise made available for other procurement for the Navy for fiscal year 1989, the Secretary of the Navy shall make available such funds as necessary for the 5-inch semi-active laser guided projectile program in order to complete production qualification of 150 of such projectiles, with 50 to be produced by each of the three established competitive sources.

(e) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Marine Corps in the amount of $1,305,295,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Air Force as follows:

(1) For aircraft, $16,413,786,000.

(2) For missiles, $8,062,081,000.

(3) For other procurement, $8,064,424,000, of which—

(A) $664,986,000 is for munitions and associated support equipment;

(B) $261,568,000 is for vehicular equipment;

(C) $1,718,088,000 is for electronics and telecommunications equipment; and

(D) $5,419,782,000 is for other base maintenance and support equipment.

SEC. 104. DEFENSE AGENCIES.

Funds are hereby authorized to be appropriated for fiscal year 1989 for the Defense Agencies in the amount of $1,150,500,000.

SEC. 105. CHEMICAL DEMILITARIZATION PROGRAM.

Funds are hereby authorized to be appropriated for fiscal year 1989 for the chemical demilitarization program under section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521 in the amount of $179,500,000, of which—

(1 $44,300,000 is for procurement;

(2 $17,900,000 is for research, development, test, and evaluation; and

(3 $117,300,000 is for operation and maintenance.

SEC. 106. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement of aircraft, vehicles, communications equipment, and other miscellaneous equipment for the reserve components of the Armed Forces as follows:

For the Army National Guard, $75,000,000.

For the Air National Guard, $249,750,000.

For the Army Reserve, $40,000,000.

For the Naval Reserve, $109,512,000.

For the Air Force Reserve, $250,000,000.

For the Marine Corps Reserve, $66,800,000.

PART B—LIMITATIONS

SEC. 111. ARMY PROGRAMS.

(a) ADATS AIR DEFENSE WEAPON.—The Secretary of the Army may not obligate funds appropriated for fiscal year 1989 for procurement of the ADATS Air Defense Weapon system until the operational tests of the system are completed and—

(1) the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a report—

(A) describing the results of the testing and presenting the Secretary's evaluation of such testing; and

(B) certifying that, based upon such testing and evaluation, the system satisfactorily demonstrates that it meets or exceeds all of the performance criteria established by the Army for the system; and

(2) after the report of the Secretary of Defense is submitted under paragraph (1), the Director of Operational Test and Evaluation of the Department of Defense submits to the Secretary of Defense and such Committees a report giving the Director's evaluation of the results of such testing and evaluation.

(b) TACTICAL MISSILE SYSTEM.—(1) None of the amounts appropriated or otherwise made available for missile procurement for the Army for fiscal year 1989 may be used for the Army Tactical Missile System (other than for advance procurement in the amount of $4,300,000 for production in fiscal year 1990) until the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a report—

(A) containing a certification by the Secretary that the total requirement for that system has been established by the Secretary of the Army and approved by the Secretary of Defense; and

(B) setting forth the details of the requirement as established, the supporting analysis for the requirement, and the associated acquisition strategy.

(2) If the Secretary determines that the total requirement for the Army Tactical Missile System cannot be established, the Secretary shall submit to those committees notice of that determination. Upon submission of such notification, the Secretary may obligate $76,300,000 for the Multiple Launch Rocket System (MLRS) program from amounts appropriated pursuant to section 101 for missile procurement for the Army.

(3) Section 106(b)(1) of Public Law 100-180 is amended—

(A) by striking out "fiscal years 1988 and 1989" and inserting in lieu thereof "fiscal year 1988"; and

(B) by striking out "and $81,300,000 of the amount appropriated for fiscal year 1989".

(c) MORTARS.—The Secretary of the Army may not obligate funds appropriated for fiscal year 1989 for procurement of 120-millimeter mortars or 4.2-inch mortars (or for procurement of ammunition for either such mortar) until the Secretary does each of the following:

(1) Submits to Congress a new master plan for Army mortars, including a description of the status of 4.2-inch mortars (and the ammunition for such mortars) and the status of any proposed upgrade of such mortar or ammunition.

(2) Certifies to Congress that the current five-year defense plan provides for funding for the initiatives set forth in such master plan.

(3) Completes the analysis (referred to as an "Arsenal Act analysis") of the cost-effectiveness of using domestic sources (as provided under section 4532 of title 10, United States Code) for manufacture of 120-millimeter mortars that was specified in section 122(a)(2) of Public Law 99-661.

SEC. 112. NAVY PROGRAMS.

(a) HARRIER AIRCRAFT.—The Secretary of the Navy may not during fiscal year 1989 enter into a multiyear contract for the procurement of the AV-8B Harrier aircraft.

(b) CONSTRUCTION OF DDG-51 CLASS DESTROYERS.—Title III of the Department of Defense Appropriations Act, 1988 (as contained in section 101(b) of Public Law 100-202), is amended in the paragraph under the heading "SHIPBUILDING AND CONVERSION, NAVY" by striking out ": Provided, That" in the item relating to the DDG-51 destroyer program and all that follows in that item through "at more than two shipyards".

SEC. 113. AIR FORCE PROGRAM.

The Secretary of the Air Force shall authorize the Air National Guard to use the eight C-130 aircraft (and support equipment related to such aircraft) that are in long-term storage at Air Force plant #6, Marietta, Georgia. Of funds appropriated for the Air Force for fiscal year 1989 for modification of C-130 aircraft, $35,000,000 shall be available only to refurbish such aircraft for full operational use.

SEC. 114. AUTHORIZED MULTIYEAR CONTRACTS.

(a) AUTHORIZED PROGRAMS.—Subject to subsections (b) and (c), the Secretary of the military department concerned or the Secretary of Defense may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

(1) CH47 D helicopter.

(2) Multiple Launch Rocket System (MLRS).

(3) T-700 helicopter engine.

(4) F-16 aircraft.

(5) Defense Meteorological Satellite program.

(6) AH-64 Apache helicopters for 216 helicopters over three years.

(7) M1 tanks for 3,000 tanks over five years.

(b) CONDITIONS.—A multiyear contract authorized by subsection (a) may not be entered into unless each of the following is satisfied:

(1) The Secretary of Defense submits to Congress a five-year defense plan that fully funds and budgets for the appropriate life-cycle cost (including the support costs) associated with these multiyear programs.

(2) The proposed multiyear contract provides for production at not less than minimum economic rates given the existing facilities.

(3) The proposed multiyear contract—

(A) achieves a 10 percent savings as compared to the cost of current negotiated contracts;

(B) achieves a 12 percent savings as compared to annual contracts if no recent contract experience exists; or

(C) in the case of a proposed follow-on multiyear contract, achieves savings of at least $250,000,000 and the required supporting budget documents were submitted with the budget request for fiscal year 1988.

(4) The proposed multiyear contract contains negotiated priced options for varying the quantities to be procured over the period of the contract.

(c) ADDITIONAL CONDITIONS FOR CERTAIN PROGRAMS.—(1) A multiyear contract authorized by paragraph (6) or (7) of subsection (a) may not be entered into unless the Secretary of Defense submits to Congress a report containing the current Department of Defense tank and helicopter total force strategies and certifying that he approves those strategies.

(2) Contracts under those paragraphs may not begin until fiscal year 1990. Funds made available for fiscal year 1989 may be used for advance procurement to initiate such a contract in that fiscal year.

SEC. 115. INTERIM INFANTRY ANTI-TANK WEAPON.

(a) DETERMINATION OF INTERIM INFANTRY ANTI-TANK WEAPON.—The Secretary of the Army shall select an interim infantry anti-tank weapon from among the Milan II weapon, the Bofors Bill weapon, and the Marine Corps Dragon Generation III weapon. The selection shall be based on the Secretary's determination of which of such weapons is the most effective weapon on the basis of all of the operational testing and evaluation of those weapons conducted as of June 1, 1989. The Secretary shall manage the program for the weapon selected so that such weapon is ready to enter into low-rate initial production during fiscal year 1990.

(b) OT&E ASSESSMENT.—The Director of Operational Test and Evaluation of the Department of Defense shall conduct an independent assessment of the operational tests and evaluations referred to in subsection (a). The Director shall submit a report on such assessment to the Committees on Armed Services of the Senate and House of Representatives not later than June 1, 1989.

SEC. 116. ELECTRONIC COUNTERMEASURES PROGRAMS.

(a) AIR FORCE ELECTRONIC JAMMERS.—(1) Funds appropriated or otherwise made available to the Air Force for fiscal year 1989 for aircraft procurement for the Air Force for common electronic countermeasures equipment programs may not be used for either the ALQ-131 Block II program or the ALQ-184 program until the Secretary of the Air Force, based upon a performance competition, selects one of those two programs as the winning program and submits to the Committees on Armed Services of the Senate and House of Representatives notice of that selection. Upon making such selection, the Secretary shall promptly discontinue the program not selected, and none of the funds described in the preceding sentence or appropriated for any subsequent fiscal year may be used for that program.

(b) LIMITATION ON UPGRADE PROGRAMS FOR CERTAIN JAMMER SYSTEMS.—(1) The Secretary of the Air Force may not carry out an upgrade program for the ALQ-94 or ALQ-137 electronic countermeasures system, and the Secretary of the Navy may not carry out an upgrade program for the ALQ-126A, ALQ-126B, or ALQ-162 electronic countermeasures system, unless the upgrade program for that system is approved by the Secretary of Defense, acting through the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence.

(2) The Secretary of the Air Force shall prepare a report, in light of the provisions in paragraph (1), describing what tactics or alternative systems may be used for protection of EF-111 aircraft. The report shall be submitted to the Secretary of Defense (for review by the Assistant Secretary for Defense for Command, Control, Communications and Intelligence) and to the Committees on Armed Services of the Senate and House of Representatives not later than January 15, 1989.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

PART A—FUNDING

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1989 for the use of the Armed Forces for research, development, test, and evaluation, in amounts as follows:

For the Army, $5,221,948,000.

For the Navy (including the Marine Corps), $9,346,860,000.

For the Air Force, $15,003,014,000.

For the Defense Agencies, $8,593,190,000, of which—

(1) $181,900,000 is authorized for the activities of the Deputy Under Secretary of Defense, Test and Evaluation; and

(2) $133,400,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. PROHIBITION ON OBLIGATION OF FUNDS FOR CANCELED ANTISATELLITE WEAPON PROGRAM.

(a) PROHIBITION.—Residual fiscal year 1988 ASAT funds may not be obligated for the ASAT program.

(b) RESIDUAL FISCAL YEAR 1988 ASAT FUNDS DEFINED.—For purposes of this section, the term "residual fiscal year 1988 ASAT funds" means funds in the amount of $16,000,000 which were appropriated to the Department of Defense for fiscal year 1988 for research, development, test, and evaluation for the Air Force which—

(1) were originally made available for the ASAT program; and

(2) which remain available for obligation following cancellation of that program by the Secretary of Defense.

(c) ASAT PROGRAM DEFINED.—For purposes of subsection (a), the term "ASAT program" means the program of the Air Force to develop an F-15 launched miniature homing vehicle antisatellite weapon.

SEC. 203. PROJECTS OF THE DEFENSE ADVANCED RESEARCH PROJECTS AGENCY.

(a) NUCLEAR MONITORING PROGRAM.—Of the funds appropriated pursuant to section 201 for the Defense Agencies, $37,600,000 shall be available only to the Defense Advanced Research Projects Agency for the nuclear monitoring program.

(b) ADVANCED TORPEDO PROGRAM.—Of the amount appropriated pursuant to section 201 for the Defense Agencies, $10,000,000 shall be available only for the Defense Advanced Research Projects Agency for a program to develop an advanced torpedo.

SEC. 204. GRANT FOR SEMICONDUCTOR COOPERATIVE RESEARCH PROGRAM.

Of the funds appropriated pursuant to section 201 for the Defense Agencies, $100,000,000 shall be available only to make grants under section 272 of Public Law 100-180.

SEC. 205. INTEGRATED COMMUNICATIONS NAVIGATION IDENTIFICATION AVIONICS (ICNIA) PROGRAM.

(a) ENGINEERING DEVELOPMENT.—Of the amount appropriated pursuant to section 201 for the Air Force for fiscal year 1989, $50,000,000 shall be available only for engineering development of the joint Integrated Communications Navigation Identification Avionics (ICNIA) program. Such amount is in addition to any other amount authorized to be appropriated by section 201 for fiscal year 1989 for Department of Defense aircraft avionics programs. Funds described in the first sentence of this subsection may not be used for any purpose other than the ICNIA program.

(b) ARMY HELICOPTER TEST BED PREPARATION.—Of the amount available for the

ICNIA program for fiscal year 1989, $3,000,000 shall be made available to the Army only for the purpose of preparing a helicopter test bed for actual flight test qualification of the ICNIA system.

PART B—STRATEGIC DEFENSE INITIATIVE

SEC. 211. FUNDING FOR FISCAL YEAR 1989.

Of the amounts appropriated pursuant to section 201 or otherwise made available to the Department of Defense for research, development, test, and evaluation for fiscal year 1989, not more than $3,700,000,000 may be obligated for the Strategic Defense Initiative.

PART C—STRATEGIC PROGRAMS

SEC. 221. B-1B BOMBER PROGRAM.

(a) CONDITION ON OBLIGATION OF FUNDS.—The Secretary of Defense may not obligate funds appropriated for fiscal year 1989 for enhancements or mission-specific equipment or modifications for the B-1B aircraft until the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives the report required by section 243(e)(3) of Public Law 100-180 (101 Stat. 1064). After such report is submitted, funds may be obligated for such purpose only as specifically authorized by law.

(b) REPORT ON ENHANCEMENT PROGRAM.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the total cost of fixes or enhancements planned or programmed for the B-1B aircraft and a description each type of such fix or enhancement. Such report shall be submitted in conjunction with the submission of the President's budget for fiscal year 1990 pursuant to section 1105 of title 31, United States Code.

(c) TEST OF ALTERNATIVES TO ALQ-161.—The Secretary of the Air Force shall test and evaluate alternatives to the incorporation of ALQ-161 jammers in B1-B aircraft. Funding for such test and evaluation shall be carried out within the fiscal year 1989 test budget of the Air Force.

SEC. 222. ADVANCED TECHNOLOGY BOMBER PROGRAM.

(a) PROGRAM MANAGEMENT INITIATIVE.—The Secretary of Defense shall require that the cost, performance, and management initiative for the Advanced Technology Bomber program established pursuant to section 121 of Public Law 100-180 (101 Stat. 1040) include the creation of a full performance matrix.

(b) GAO COST AUDIT AND ANALYSIS.—The Comptroller General of the United States shall perform an independent cost audit and analysis of the Advanced Technology Bomber program. The Comptroller General shall submit a report on such audit analysis to the Committees on Armed Services of the Senate and House of Representatives not later than March 1, 1989.

(c) COST MONITORING AND TRACKING.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall conduct an evaluation of the current system for monitoring and tracking costs for the Advanced Technology Bomber program, shall prepare an assessment of such system, and shall report the Secretary's findings and any recommendations to the Committees on Armed Services of the Senate and House of Representatives not later than March 1, 1989.

SEC. 223. MX RAIL GARRISON PROGRAM.

(a) EVALUATION OF LAUNCH CONTROL SYSTEMS.—The Secretary of Defense shall evaluate the feasibility of providing common launch control systems for the MX rail-garrison program and the Small Intercontinental Ballistic Missile (SICBM) program. If the evaluation demonstrates that such commonality is feasible, the Secretary shall preserve such commonality in those programs.

(b) PROGRAM CONCURRENCY REVIEW.—The Undersecretary of Defense for Acquisition shall conduct a review of program concurrency for the MX rail-garrison system, assuming a date for the initial operating capability of the system during fiscal year 1991, and shall submit a report on the review to the Committees on Armed Services of the Senate and House of Representatives in conjunction with the submission of the President's budget for fiscal year 1990.

(c) EVALUATION OF PROGRAM BY NATIONAL ACADEMY OF SCIENCES.—The Secretary of Defense shall request the National Academy of Science to evaluate the operational, technological, and logistical issues associated with the MX rail-garrison system. The Secretary shall request that all appropriate Federal regulatory agencies cooperate with the Academy in carrying out such evaluation. When the evaluation is completed, the Secretary shall submit to Congress a report on the evaluation, including any report submitted by the Academy to the Secretary. The report shall be submitted in both classified and unclassified forms. Of the funds made available for the MX rail-garrison program for fiscal year 1989, $2,000,000 shall be available only for the evaluation under this subsection.

(d) STUDY OF DOMESTIC VULNERABILITIES OF MX RAIL-GARRISON SYSTEM.—The Secretary of Defense shall request the Director of the Federal Bureau of Investigation to conduct a study of the potential vulnerabilities of the MX rail-garrison system to special operations forces of the Soviet Union and to domestic saboteurs and protestors. The Secretary shall submit to Congress a report on this study by March 1, 1989, in both classified and unclassified form. Of the funds made available for the MX rail-garrison program for fiscal year 1989, $3,000,000 shall be available only for the evaluation under this subsection.

(e) INDEPENDENT ASSESSMENT OF VULNERABILITY OF MX RAIL-GARRISON SYSTEM.—The Undersecretary of Defense for Acquisition shall conduct a so-called "Red Team" assessment of the vulnerability of the MX rail-garrison system. This assessment shall be completed by January 1, 1989, and a report on the results of the assessment shall be submitted to the Committees on Armed Services of the Senate and House of Representatives on that date in both classified and unclassified form. Of the funds made available for the MX rail-garrison program for fiscal year 1989, $10,000,000 shall be available only for the assessment under this subsection.

(f) SUBMISSION OF REPORTS.—Not later than 15 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives the report entitled "System Threat Assessment Report" associated with the MX rail-garrison system and any other report in the Secretary's possession on that date that relates to the vulnerability of the MX rail-garrison system.

SEC. 224. SMALL INTERCONTINENTAL BALLISTIC MISSILE PROGRAM.

(a) INDEPENDENT REVIEW.—The Secretary of the Air Force, in conjunction with the Office of the Secretary of Defense, shall provide for an independent review of the Small Intercontinental Ballistic Missile (SICBM) program. The review shall focus on ways to reduce costs for that program and shall address at a minimum the issues described in the accompanying report language.

(b) CONTINUATION OF PROGRAM.—Before January 20, 1989, the Secretary of Defense may not proceed with the implementation of a plan to terminate the SICBM program.

(c) ALLOCATION OF FY 1989 FUNDING.—The Secretary of Defense shall allocate funds appropriated for the SICBM program for fiscal year 1989 in such a way that as much of the critical subcontractor base as possible for that program is preserved through fiscal year 1989.

PART D—OTHER PROGRAMS

SEC. 231. ADVANCED SUBMARINE TECHNOLOGY PROGRAM.

(a) FY 89 FUNDING.—(1) Of the amount appropriated for fiscal year 1989 pursuant to section 201 for the Defense Agencies, the Secretary of Defense shall make $114,000,000 available only for the purpose of continuing the Advanced Submarine Technology Program initiated in section 211 of Public Law 100-180 (101 Stat. 1048). Amounts appropriated for such purpose for fiscal year 1989 may be used only for such program.

(2) The Secretary of Defense shall use funds appropriated for fiscal year 1989 for such program only—

(A) for revolutionary submarine hull, mechanical, and electrical technologies; and

(B) for revolutionary nonnuclear propulsion technologies.

(3) Funds appropriated for fiscal year 1989 for such program may not be used for research relating to weapons, sensors, or communications equipment or for test facilities.

(4) Funds appropriated for fiscal year 1989 for such program may be used only for exploratory development, advanced technology development, and (as necessary) basic research to support the overall objectives of the program.

(b) MANAGEMENT OF PROGRAM BY DARPA.—In carrying out the provisions of section 211(a) of Public Law 100-180 that the Advanced Submarine Technology Program be carried out through the Director, Advanced Research Projects Agencies (DARPA), the Secretary of Defense shall provide that the overall management of the execution of such program, including the administration of funds appropriated for the program, be vested in the Director. In managing such program, the Director shall take into consideration the advice of the advisory board established pursuant to congressional direction as part of the fiscal year 1988 budget process.

(c) PURPOSE OF PROGRAM.—(1) Congress established the Advanced Submarine Technology Program in light of the large amount of activity by the Soviet Union in the area of naval submarines and the declining advantage of the United States in submarine technology.

(2) The purpose of the Advanced Submarine Technology Program is to explore innovative state-of-the art technologies for advanced attack submarines and to augment the existing United States submarine technology base in order to establish a sound and increasing submarine technology base.

(3) Congress recognizes that research and development activities with respect to submarine weapons and sensors and high density innovative and advanced nuclear plant systems are necessary and important. However, in light of the purpose of the program to augment the submarine technology base, Congress has in this section provided sepa-

rate authorization for funding to augment the technology base for submarine hull, mechanical, and electrical systems.

(4) Section 211(a) of Public Law 100-180 is amended—

(A) by striking out the second and third sentences of paragraph (1); and

(B) by striking out paragraph (2).

(d) FIVE-YEAR PLAN.—(1) Not later than 60 days after the date of enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report setting forth a detailed 5-year plan for the Advanced Submarine Technology Program. The plan shall be a comprehensive revision of the report submitted pursuant to section 211(b)(1) of Public Law 100-180.

(2) The report under paragraph (1) shall include the following:

(A) Identification of each of the technologies to be studied or developed under the program.

(B) With respect to each of the technologies to be developed—

(i) identification of responsibility for the execution of the program and the management of the program; and

(ii) milestones for obligating funds under the program and for major program reviews under the program.

(3) None of the funds appropriated for the purpose described in subsection (a) may be obligated until the report required by paragraph (1) is received.

(e) ANNUAL REPORTS.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report at the close of fiscal year 1989 and annually thereafter on the Advanced Submarine Technology Program. Each report shall describe—

(1) the activities carried out under the program during the preceding fiscal year;

(2) the obligation of funds for the program during that fiscal year;

(3) activities accomplished under the program during that fiscal year; and

(4) ongoing activities under the program.

Each such report shall also describe how the matters set forth in paragraphs (1) through (4) meet the criteria established in the five-year plan for the program set out in the report under subsection (d).

(f) PROGRAM DURATION.—In providing funds under this section for the Advanced Submarine Technology Program for fiscal year 1989, Congress expects that the program will be continued in the five-year defense plan of the Secretary of Defense and that the management of the program will continue to be executed through the Defense Advanced Research Projects Agency for an additional three-to-five years.

(g) PROHIBITION ON CONTRACTOR MANAGEMENT.—The Director, Defense Advanced Research Projects Agency, may not carry out the Advanced Submarine Technology Program through a single contractor or through the use of management by a public or private shipyard. The Director, in allocating funds under the program and in light of the purposes of the program, shall seek to award such funds to a wide variety of recipients.

SEC. 232. JOINT AVIONICS PROGRAM MANAGEMENT.

(a) DESIGNATION OF DIRECTOR OF JOINT SERVICE AVIONICS.—The Secretary of Defense shall designate a senior official of the Department of Defense (in one of the military departments or in the Office of the Secretary of Defense) as the Director of Joint Service Avionics. The Secretary shall establish a separate office, to be known as the Joint Service Avionics Management Office, under the Director to be responsible only for carrying out the duties of the Director under this section. The Director shall be designated not later than 45 days after the date of the enactment of this Act, and the Office shall be established not later than 120 days after such date.

(b) RESPONSIBILITIES.—Subject to the authority, direction, and control of the Secretary of Defense, the Director shall be responsible for management of joint avionics programs of the military departments for new advanced tactical aircraft. The Director shall, based upon requirements stated by the military departments and other appropriate factors, determine the specifications of the avionics system to be acquired under any such program. The Director shall manage the incorporation of each such avionics system into the Advanced Tactical Fighter (ATF) of the Air Force, the Advance Tactical Aircraft (ATA) of the Navy, the Light Helicopter Experiment (LHX) aircraft of the Army, and any other aircraft into which such system is to be incorporated.

(c) CONSOLIDATION OF FUNDING.—(1) In implementing subsections (a) and (b), the Secretary of Defense shall provide as rapidly as possible for the consolidation of all funding for such avionics programs under the control of the Director.

(2) In the budget of the Department of Defense submitted as part of the President's budget for fiscal year 1990, the Secretary of Defense shall separately identify all amounts requested for the military departments for the purpose of any joint avionics program covered by this section. All funds appropriated for such purpose shall be promptly transferred to the control of the Director designated under section (a).

(d) IMPLEMENTATION PLAN.—(1) Not later than January 15, 1989, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report setting forth—

(A) a description of the Secretary's actions to that date to implement this section; and

(B) a plan for the further implementation of this section, including the establishment and staffing of the Joint Services Avionics Management Office.

(2) The report under this subsection shall include a plan for the incorporation of each avionic system to which this section applies into all aircraft into which, as of the date of the report, such system is to be incorporated.

(e) JOINT AVIONICS.—For purposes of this section, a joint avionics system is any system referred to in the Joint Integrated Avionics Plan for New Aircraft prepared under the direction of the Under Secretary of Defense for Acquisition and issued March 13, 1987.

SEC. 233. IMPROVEMENT IN DEFENSE RESEARCH AND PROCUREMENT LIAISON WITH ISRAEL.

The Secretary of Defense, in consultation with the Under Secretary of Defense for Acquisition, shall assign to duty in Israel an individual or individuals to serve as the primary liaison between the procurement and research and development activities of the United States Armed Forces and those of the State of Israel.

SEC. 234. MODIFICATION OF REPORT REQUIREMENT CONCERNING DESIGNATION OF MAJOR NON-NATO ALLIES.

Section 1105(f) of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3967) is amended—

(1) by inserting "to be added or deleted from the existing designation of countries" in paragraph (1) after "countries"; and

(2) by inserting "added or deleted from the designation of countries eligible for such participation" in paragraph (2) after "countries".

SEC. 235. PROHIBITION ON TESTING ELECTROMAGNETIC PULSE IN CHESAPEAKE BAY.

The Secretary of the Navy may not carry out an electromagnetic pulse program in the Chesapeake Bay area in connection with the Electromagnetic Pulse Radiation Environment Simulator Program for Ships (EMPRESS II).

SEC. 236. AVAILABILITY OF PROCUREMENT FUNDS FOR LIVE-FIRE TESTING PROGRAMS.

Section 2366(b)(3) of title 10, United States Code, is amended by adding at the end the following: "The Secretary of Defense may, in the case of any such testing, provide funds for the conduct of such testing (and for evaluation of such testing) from funds available for procurement of the system being tested. The amount provided for such testing and evaluation of any such system for a fiscal year under the preceding sentence may not exceed one-third of 1 percent of the amount made available for procurement of that system for that fiscal year.".

TITLE III—OPERATION AND MAINTENANCE

PART A—AUTHORIZATIONS OF APPROPRIATIONS

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal year 1989 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance in amounts as follows:

For the Army, $22,003,279,000.

For the Navy, $24,807,800,000.

For the Marine Corps, $1,842,000,000.

For the Air Force, $21,850,400,000.

For the Defense Agencies, $7,721,100,000.

For the Army Reserve, $794,900,000.

For the Naval Reserve, $979,200,000.

For the Marine Corps Reserve, $77,500,000.

For the Air Force Reserve, $1,033,900,000.

For the Army National Guard, $1,797,000,000.

For the Air National Guard, $1,971,000,000.

For the National Board for the Promotion of Rifle Practice, $4,300,000.

For the Court of Military Appeals, $3,500,000.

For Environmental Restoration, Defense, $500,000,000.

For Goodwill Games, $5,000,000.

For Humanitarian Assistance, $13,000,000.

(b) GENERAL AUTHORIZATION FOR CONTINGENCIES.—There are authorized to be appropriated for fiscal year 1989, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary—

(1) for unbudgeted increases in fuel costs; and

(2) for unbudgeted increases as the result of inflation in the cost of activities authorized by subsection (a).

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1989 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working-capital funds in amounts as follows:

For the Army Stock Fund, $306,900,000.

For the Navy Stock Fund, $204,700,000.

For the Air Force Stock Fund, $206,900,000.

For the Defense Stock Fund, $25,000,000.

SEC. 303. HUMANITARIAN ASSISTANCE.

(a) PURPOSE.—The amount authorized in section 301 for humanitarian assistance shall be used for the purpose of providing transportation for humanitarian relief for persons displaced or who are refugees because of the invasion of Afghanistan by the Soviet Union. Of the amount authorized in such section for such purpose, not more than $3,000,000 may be used for distribution of humanitarian relief supplies to the non-Communist resistance organization at or near the border between Thailand and Cambodia.

(b) AUTHORITY TO TRANSFER FUNDS.—The Secretary of Defense may transfer to the Secretary of State not more than $3,000,000 of the funds appropriated pursuant to the authorization in section 301 for humanitarian assistance to provide for (1) paying for administrative costs of providing the transportation described in subsection (a), and (2) the purchase or other acquisition of transportation assets for the distribution of relief supplies in the country of destination.

(c) TRANSPORTATION UNDER DIRECTION OF THE SECRETARY OF STATE.—Transportation provided with funds appropriated pursuant to the authorization in section 301 for humanitarian assistance shall be under the direction of the Secretary of State.

(d) MEANS OF TRANSPORTATION TO BE USED.—Transportation for humanitarian relief provided with funds appropriated pursuant to the authorization in section 301 for humanitarian assistance shall be by the most economical commercial or military means available, unless the Secretary of State determines that it is in the national interest of the United States to use means other than the most economical available. Such means may include the use of aircraft and personnel of the reserve components of the Armed Forces.

(e) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to the authorization in section 301 for humanitarian assistance shall remain available until expended, to the extent provided in appropriations Act.

(f) REPORTS.—The Secretary of Defense shall submit to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and Foreign Affairs of the House of Representatives two reports, one of which shall be submitted not later than 60 days after the date of the enactment of this Act and the other not later than June 1, 1989. Each such report shall contain (as of the date on which the report is submitted) the following information:

(1) The total amount of funds obligated for humanitarian relief under this section, section 331 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3856), and section 331 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 100 Stat. 1078).

(2) The number of scheduled and completed flights for purposes of providing humanitarian relief under this section and section 331 of each such Act.

(3) A description of any transfer (including to whom the transfer is made) of excess nonlethal supplies of the Department of Defense made available for humanitarian relief purposes under section 2547 of title 10, United States Code.

(g) NOTIFICATION.—At least 21 days before transportation of humanitarian relief provided with funds appropriated pursuant to the authorization in section 301 for humanitarian assistance, section 331 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3856), or section 331 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1078) takes place, the Secretary of Defense shall notify the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives of the plans to provide such transportation.

PART B—LIMITATIONS

SEC. 311. PROHIBITION ON FINANCING CERTAIN ACTIVITIES BY DIRECT APPROPRIATIONS.

(a) PROHIBITION.—During fiscal year 1989, the Secretary of the Navy may not take any steps for the purpose of planning or converting the operation of an activity specified in subsection (b) from operation as an activity financed by the Naval Industrial Fund (as authorized by section 2208 of title 10, United States Code) to operation as an activity financed by direct appropriations.

(b) ACTIVITIES COVERED.—An activity referred to in subsection (a) is any of the following:

(1) Naval Avionics Center, Indianapolis.

(2) Naval Civil Engineering Laboratory, Port Hueneme.

(3) Naval Air Engineering Center, Lakehurst.

SEC. 312. PROHIBITION ON JOINT USE OF DOBBINS AIR FORCE BASE WITH CIVIL AVIATION.

The Secretary of the Air Force may not enter into an agreement to allow joint use of Dobbins Air Force Base, at Marietta, Georgia, with civil aviation.

SEC. 313. PROHIBITION ON PURCHASE OF TOSHIBA PRODUCTS FOR RESALE IN MILITARY EXCHANGE STORES.

No product manufactured or assembled by Toshiba America, Incorporated, or Toshiba Corporation (or any of its affiliates or subsidiaries) may be purchased by the Department of Defense for the purpose of resale of such product in a military exchange store or in any other morale, welfare, recreation, or resale activity operated by the Department of Defense (either directly or by concessionaire).

SEC. 314. ONE-YEAR EXTENSION OF LIMITATION ON ARMY DEPOT MAINTENANCE FUNDING.

(a) ONE-YEAR EXTENSION.—Section 314 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1074) is amended—

(1) by striking out "fiscal year 1988" in subsection (a) and inserting in lieu thereof "fiscal year 1989"; and

(2) by striking out "fiscal year 1989" in subsection (b)(1)(C) and inserting in lieu thereof "fiscal year 1990".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1988.

SEC. 315. PROHIBITION ON CONTRACTING OUT FOR PERFORMANCE OF CERTAIN MAINTENANCE FUNCTIONS.

(a) PROHIBITION.—(1) The Secretary of Defense may not—

(A) review any covered maintenance function under the procedures and requirements of Office of Management and Budget Circular A-76 (or any successor administrative regulation or policy); or

(B) enter into a contract for the performance by contractor personnel of any covered maintenance function.

(2) In this subsection, the term "covered maintenance function" means a maintenance function that—

(A) on October 1, 1988, is being performed by members of the Armed Forces on active duty; and

(B) is categorized in accordance with Department of Defense regulation or policy as an organizational or intermediate level maintenance function for trainer aircraft.

(b) TRANSITION PROVISIONS.—(1)(A) With respect to any maintenance function described in subparagraph (B), the Secretary of Defense—

(i) shall terminate the OMB Circular A-76 review of such function; and

(ii) shall convert the performance of such function back to performance by members of the Armed Forces on active duty.

(B) A function referred to in subparagraph (A) is an organizational or intermediate level Department of Defense maintenance function for trainer aircraft which—

(i) on October 1, 1988, is under review under OMB Circular A-76; and

(ii) before such review was performed by members of the Armed Forces on active duty and was converted to performance by Department of Defense civilian employees in contemplation of such review.

(2)(A) With respect to any maintenance function described in subparagraph (B) that is being performed by contractor personnel on October 1, 1988, the Secretary of Defense shall convert the performance of such function back to performance by members of the Armed Forces on active duty upon the occurrence of either of the following:

(i) The expiration of the contract.

(ii) The opportunity to exercise an option to renew the contract.

(B) A function referred to in subparagraph (A) is an organizational or intermediate level Department of Defense maintenance function for trainer aircraft which—

(i) was converted to performance by contractor personnel as a result of a review under OMB Circular A-76;

(ii) before such review, was performed by members of the Armed Forces on active duty; and

(iii) was converted to performance by contractor personnel after January 1, 1985.

PART C—PERMANENT LAW CHANGES

SEC. 321. LIMITATION ON PRIVATE OPERATION OF COMMISSARY STORES.

Section 2482 of title 10, United States Code, is amended by adding at the end the following new sentences: "Any contract for such operation of commissary stores by a private person shall not provide for or allow the contractor to carry out functions for the procurement of products to be sold in such stores or to engage in functions relating to the overall management of a commissary system or the management of any such store. Such functions shall be carried out by personnel of the Department of Defense under such regulations as the Secretary of Defense may approve.".

SEC. 322. LIMITATION ON ALLOWABLE COSTS UNDER CERTAIN SERVICE CONTRACTS PERFORMED OVERSEAS.

(a) CERTAIN COSTS NOT ALLOWABLE.—Section 2324(e)(1) of title 10, United States Code, is amended by adding at the end the following new subparagraphs:

"(L) Costs of severance pay paid by the contractor to foreign nationals employed by the contractor under a service contract performed outside the United States, to the extent that the amount of such severance pay paid in any case exceeds that paid in the industry involved under the customary or prevailing practice for firms in that industry providing similar services in the United States, as determined under regulations prescribed by the Secretary of Defense.

"(M) In the case of a contractor providing banking services outside the United States for members of the armed forces and employees of the United States—

"(i) the amount of (I) any loss incurred by the contractor arising from uncollectible loans made by the contractor to customers under the contract, and (II) any loss arising from uncollectible checks cashed by the contractor for such customers; and

"(ii) any cost incurred by the contractor in collecting (I) amounts due on any delinquent loan made by the contractor to a customer under the contract, and (II) any dishonored check cashed by the contractor for such a customer.".

(b) EFFECTIVE DATE.—Subparagraphs (L) and (M) of section 2324(e)(1) of title 10, United States Code, as added by subsection (a), shall apply with respect to any contract entered into, extended, or renewed after the end of the 180-day period beginning on the date of the enactment of this Act.

SEC. 323. AUTHORITY TO CONTINUE SUPPORT OF SCOUTING ACTIVITIES OVERSEAS.

(a) AUTHORITY.—(1) Chapter 155 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2606. Scouting: cooperation and assistance in foreign areas

"(a) Subject to subsection (b), the Secretary concerned may cooperate with and assist qualified scouting organizations in establishing and providing facilities and services for members of the armed forces and their dependents, and civilian employees of the Department of Defense and their dependents, at locations outside the United States.

"(b) Cooperation and assistance under subsection (a) shall be provided under regulations prescribed by the Secretary of Defense and may be provided only if the President determines that such cooperation and assistance is necessary in the interest of the morale, welfare, and recreation of members of the armed forces.

"(c) Personnel of a qualified scouting organization, including officials certified by that organization as representing that organization, who are performing duties in connection with cooperation and assistance provided under subsection (a) may be furnished—

"(1) transportation at the expense of the United States while traveling to and from, and while performing, such duties in the same manner as civilian employees of the United States; and

"(2) available office space (including space for recreational activities for Boy Scouts and Girl Scouts), warehousing, utilities, and a means of communication, without charge.

"(d) Supplies of a qualified scouting organization may be transported at the expense of the United States if the Secretary concerned determines, under regulations prescribed under subsection (b), that the supplies are necessary to the cooperation and assistance provided under this section.

"(e) The Secretary concerned may reimburse a qualified scouting organization for all or part of the pay of an employee of that organization for any period during which the employee was performing services under subsection (a). Any such reimbursement may not be made from appropriated funds and shall be made under regulations prescribed under subsection (b).

"(f) For the purposes of this section, employees of a qualified scouting organization performing services under subsection (a) may not be considered to be employees of the United States.

"(g) In this section, the term 'qualified scouting organization' means the Girl Scouts of the United States of America and the Boy Scouts of America.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2606. Scouting: cooperation and assistance in foreign areas.".

(b) FUNDING DURING FISCAL YEAR 1988.—No funds may be appropriated for fiscal year 1988 by reason of the enactment of this section. Funds appropriated to the Department of Defense in Public Law 100-202 for operation and maintenance for fiscal year 1988 may be used for the purposes of section 2606 of title 10, United States Code, as added by subsection (a).

SEC. 324. TRANSFERS AND EXCHANGES OF CERTAIN DOCUMENTS, HISTORICAL ARTIFACTS, AND CONDEMNED AND OBSOLETE COMBAT MATERIEL.

(a) AUTHORITY.—(1) Section 2572 of title 10, United States Code, is amended to read as follows:

"§ 2572. Documents, historical artifacts, and condemned or obsolete combat materiel: loan, gift, or exchange

"(a) The Secretary concerned may lend or give items described in subsection (c) that are not needed by the military department concerned (or by the Coast Guard, in the case of the Secretary of Transportation), to any of the following:

"(1) A municipal corporation.

"(2) A soldiers' monument association.

"(3) A museum, historical society, or historical institution of a State or a foreign nation.

"(4) An incorporated museum that is operated and maintained for educational purposes only and the charter of which denies it the right to operate for profit.

"(5) A post of the Veterans of Foreign Wars of the United States or of the American Legion or a unit of any other recognized war veterans' association.

"(6) A local or national unit of any war veterans' association of a foreign nation which is recognized by the national government of that nation (or by the government of one of the principal political subdivisions of that nation).

"(7) A post of the Sons of Veterans Reserve.

"(b)(1) Subject to paragraph (2), the Secretary concerned may exchange items described in subsection (c) that are not needed by the armed forces for similar items held by any individual, organization, institution, agency, or nation.

"(2) The Secretary concerned may not make an exchange under paragraph (1) unless the monetary value of property transferred to the United States under the exchange is not less than the value of the property transferred by the United States. The Secretary concerned may waive the limitation in the preceding sentence in any case in which the Secretary determines that the item to be received by the United States in the exchange will significantly enhance the historical collection of the property administered by the Secretary.

"(c) This section applies to the following types of property held by a military department or the Coast Guard: books, manuscripts, works of art, historical artifacts, drawings, plans, models, and condemned or obsolete combat materiel.

"(d)(1) A loan or gift made under this section shall be subject to regulations prescribed by the Secretary concerned and to regulations under section 205 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 486).

"(2) The United States may not incur any expense in connection with a loan or gift under subsection (a).".

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 153 is amended to read as follows:

"2572. Documents, historical artifacts, and condemned or obsolete combat materiel: loan, gift, or exchange.".

SEC. 325. QUALIFICATIONS FOR HEAD OF AUDITING FUNCTION IN MILITARY DEPARTMENTS.

(a) DEPARTMENT OF THE ARMY.—Section 3014(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) The head of the office or other entity established or designated by the Secretary to conduct the auditing function shall have at least five years of professional experience in accounting or auditing. The appointment of any person to the position of the head of such office or entity may not be made without the approval of the Inspector General of the Department of Defense. The position shall be considered to be a career reserved position as defined in section 3132(a)(8) of title 5.".

(b) DEPARTMENT OF THE NAVY.—Section 5014(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) The head of the office or other entity established or designated by the Secretary to conduct the auditing function shall have at least five years of professional experience in accounting or auditing. The appointment of any person to the position of the head of such office or entity shall be approved by the Inspector General of the Department of Defense. The position shall be considered to be a career reserved position as defined in section 3132(a)(8) of title 5. The position of regional director within such office or entity, and any other position within such office or entity the primary responsibilities of which are to carry out supervisory functions, may not be held by a member of the armed forces on active duty.".

(c) DEPARTMENT OF THE AIR FORCE.—Section 8014(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) The head of the office or other entity established or designated by the Secretary to conduct the auditing function shall have at least five years of professional experience in accounting or auditing. The appointment of any person to the position of the head of such office or entity shall be approved by the Inspector General of the Department of Defense. The position shall be considered to be a career reserved position as defined in section 3132(a)(8) of title 5.".

(d) EFFECTIVE DATE.—The requirements of sections 3014(c)(5), 5014(c)(5), and 8014(c)(5) of title 10, United States Code (as added by subsections (a), (b), and (c), respectively), shall apply with respect to the head of the office or other entity designated for conducting the auditing function in each of the military departments who is appointed after the date of the enactment of this Act.

SEC. 326. PROHIBITION ON CERTAIN DEPOT MAINTENANCE WORKLOAD COMPETITIONS.

The Secretary of Defense may not require the Secretary of the Army or the Secretary of the Air Force, in selecting an entity to perform any depot maintenance workload, to carry out a competition for such selection—

(1) between or among maintenance activities of the Department of the Army and the Department of the Air Force; or

(2) between a maintenance activity of either such department and a private contractor.

SEC. 327. NAVY PARTICIPATION IN FEASIBILITY STUDY OF SUNSET HARBOR PROJECT, CALIFORNIA.

(a) REQUIRED FUNDING.—The Secretary of the Navy shall obligate not less than $100,000 as the contribution by the Department of the Navy to the feasibility study by the Army Corps of Engineers of the Sunset Harbor Project, California, which was authorized by Public Law 99-662.

(b) SOURCE OF FUNDS.—For the purpose described in subsection (a), the Secretary of the Navy may use operation and maintenance funds appropriated for use by the Department of the Navy.

SEC. 328. REPORT ON EFFORTS TO MEASURE READINESS.

(a) REPORT REQUIREMENT.—Section 116 of title 10, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b) Not later than February 1 of each year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the status of Department of Defense efforts to—

"(1) identify and measure readiness of the Department of Defense; and

"(2) relate such identification and measurement to the budget process.".

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 116. Annual reports on operations and maintenance and on readiness".

(2) The item relating to such section in the table of sections at the beginning of chapter 2 of such title is amended to read as follows:

"116. Annual reports on operations and maintenance and on readiness.".

SEC. 329. STANDARDS FOR CONTRACTOR INVENTORY ACCOUNTING SYSTEMS.

(a) IN GENERAL.—(1) Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2410. Contractor inventory accounting systems: standards

"(a) ESTABLISHMENT OF STANDARDS.—The Secretary of Defense shall establish standards for inventory accounting systems used by contractors under contract with the Department of Defense. The standards shall include the following requirements:

"(1) Each defense contractor shall have an adequate description of its inventory accounting system, including policies, procedures, and operating instructions, and shall revise such description as changes in the system are made. The contractor shall notify the Secretary as significant revisions are made.

"(2) Each defense contractor shall assure that material allocated, or costs of material charged, to a contract are based on valid time-phased requirements. The Secretary shall establish standards for determining the validity of such time-phased requirements.

"(3) Each defense contractor shall provide a procedure for identifying, reporting to the Secretary, and resolving system control weaknesses in its inventory accounting system. The contractor also shall provide for the identification of operational exceptions and manual overrides in the system.

"(4) Each contractor shall maintain audit trails and records for its inventory accounting system as necessary to allow the Secretary to evaluate the methodology of the system and to verify through transaction testing that the system is operating properly. Records shall be maintained for the applicable record retention period. Each contractor shall provide the Secretary access to its inventory accounting system, including equipment, as necessary to carry out this paragraph.

"(5) Each defense contractor shall establish and maintain in its inventory accounting system a high level of accuracy in recordkeeping, as prescribed by the Secretary. Recordkeeping shall include periodic reconcilation of quantities of inventory as stated in the contractor's records with quantities of inventory physically present. If an inventory accounting system does not meet the accuracy level prescribed by the Secretary, the contractor shall demonstrate—

"(A) there is no significant harm to the United States caused by the lower accuracy levels; or

"(B) the cost of meeting a higher level of accuracy is excessive in relation to the impact on the United States.

"(6) Each defense contractor shall provide a detailed description of circumstances which will result in transfers of material, including any transfer that may circumvent internal controls.

"(7) Each defense contractor shall maintain in its inventory accounting system a consistent, equitable, and unbiased methodology for assigning costs to materials in material transfers. The methodology—

"(A) shall be maintained in writing and disclosed to the Secretary;

"(B) may use standard or actual cost, or any of the inventory costing methods contained in Cost Accounting Standard 411.50(b); and

"(C) shall be used consistently among all contracts, customers, accounting periods, and transfers of the contractor.

"(8) Each defense contractor shall transfer materials, and the costs associated with such materials, within the same billing period. In the standards the Secretary may provide a waiver of such requirement as the Secretary considers appropriate.

"(9) In any case in which a defense contractor includes in progress billings or public vouchers material costs allocated from common inventory accounts of the contractor, the contractor's inventory accounting system shall contain controls to assure that—

"(A) reallocations of materials and costs associated with such materials are processed within the same billing period; and

"(B) materials that are in common inventory stock of the contractor for requirements other than requirements of a contract with the Department of Defense are not allocated to such a contract.

"(10) In any case in which a defense contractor allocates materials, or charges costs associated with such materials, from inventory stocks which are attributable to fixed-price Department of Defense contracts, cost-type Department of Defense contracts, and commercial contracts of the contractor, the contractor shall have adequate controls to assure that such materials and costs are properly allocated or charged to the correct contract.

"(11) The defense contractor shall provide for identifying excess or residual inventory from previous contracts and common inventory stock of the contractor. In addition the contractor shall develop and implement a methodology to assure that the costs associated with such inventory are considered in preparation of estimates for prices of future contracts.

"(b) IMPLEMENTATION OF STANDARDS.—(1) Beginning not later than 12 months after the establishment of standards under subsection (a), each defense contractor shall have an approved inventory accounting system. Approval of the system shall be granted by the Secretary upon an adequate demonstration by the contractor that its system complies with the standards established under subsection (a).

"(2) Any defense contractor that cannot demonstrate compliance with the standards shall provide the Secretary with a plan, including a timetable, for achieving such compliance. The Secretary shall issue guidelines for such plans.

"(3)(A) In the case of any defense contractor whose inventory accounting system is not approved by the Secretary, the Secretary shall suspend, in accordance with Federal Acquisition Regulation section 32.503-6, an appropriate percentage of affected costs on progress payment claims, proportionate to the adverse material impact to the United States of not having an approved system. In addition, the Secretary shall disapprove similar amounts, proportionate to the adverse impact to the United States, included in public voucher claims.

"(B) If the defense contractor's inventory accounting system is so unreliable, as determined by the Secretary, that it precludes development of a reliable estimate of the adverse material impact to the United States, or if the contractor does not provide adequate access to such system for the Secretary to perform such an assessment, the Secretary shall suspend, until such reliability is attained, an amount for which progress payment billings have been submitted by the contractor equal to 25 percent of the costs of material processed by the contractor for all Department of Defense contracts of the contractor during each billing period beginning after the date of the enactment of this Act. In addition, the Secretary shall disapprove similar amounts included in public voucher claims.

"(C) After approval of a defense contractor's plan for achieving compliance under paragraph (2), but before complete implementation of such plan, the Secretary shall reduce the amounts withheld from the contractor under subparagraph (A) or (B) as appropriate to reflect the contractor's progress in achieving compliance. In no case, however, may the Secretary pay the total amount for which progress billings or public vouchers have been submitted until the contractor's inventory accounting system is approved, unless the amount of the adverse impact on the United States is determined to be immaterial.

"(c) CERTIFICATION OF COMPLIANCE.—The Secretary shall require each defense contractor to certify, not later than 12 months after the establishment of standards under subsection (a), that, to the contractor's best knowledge and belief, the contractor's inventory accounting system is in compliance with applicable laws and regulations, including such standards, and with the disclosed accounting practices of the contractor.

"(d) RESPONSIBILITY OF DEFENSE CONTRACTORS FOR COMPLYING WITH LAWS, REGULATIONS, AND DISCLOSED PRACTICES.—Each defense contractor shall comply with, and shall have sole responsibility for being in compliance with, applicable laws and regu-

lations (including standards established under section 1), and the disclosed accounting practices of the contractor. The Secretary shall not be prevented from seeking to require compliance by a defense contractor with such laws, regulations, and practices by reason of a failure of an audit to disclose noncompliance by the contractor.

"(e) DEFINITIONS.—In this section:

"(1) The term 'defense contractor' means an entity under contract with the Department of Defense with a contract or contracts in an amount (in the aggregate) in excess of $10,000,000.

"(2) The term 'inventory accounting systems' includes both the inventory control system and the cost accounting system of a Department of Defense contractor.

"(3) The term 'material' includes all parts and items used by a contractor in carrying out a defense contract, including items assembled or fabricated by the contractor.

"(4) The term 'Secretary' means the Secretary of Defense.

"(5) The term 'transfer' means the movement of material, or costs associated with such material, between contracts of a defense contractor or between elements within a contract of a defense contractor.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2410. Standards for contractor inventory accounting systems.".

(b) ESTABLISHMENT OF STANDARDS.—The Secretary of Defense shall establish standards required under section 2410(a) of title 10, United States Code (as added by subsection (a)), within 60 days after the date of the enactment of this Act.

(c) EFFECTIVE DATE.—The standards established pursuant to section 2410 of title 10, United States Code (as added by subsection (a)), shall apply with respect to contracts entered into after the date of the enactment of this Act.

SEC. 330. PROHIBITION ON MANAGING CIVILIAN PERSONNEL BY END STRENGTHS.

(a) PROHIBITION.—Section 129(a) of title 10, United States Code, is amended—

(1) by inserting "and" before "(2)" in the first sentence;

(2) by striking out ", and (3)" in the first sentence and all that follows through "such fiscal year"; and

(3) by striking out the period at the end of the second sentence and inserting in lieu thereof ", any constraint or limitation (known as an 'end-strength') on the number of such personnel who may be employed on the last day of such fiscal year, or any constraint or limitation carried out through the measurement of full-time equivalent employees or other related methodology.".

(b) ANNUAL REPORT ON FUNDS SPENT FOR CIVILIAN PERSONNEL.—Section 129 of such title is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection (c):

"(c) Not later than November 1 of each year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the obligation of funds for civilian personnel of the Department of Defense (other than indirectly funded Government employees) during the preceding fiscal year. Each such report shall include—

"(1) for each appropriation account of the Department of Defense, a statement of the amount authorized and the amount appropriated for such personnel for the fiscal year covered by the report; and

"(2) for each such appropriation account and for the entire Department—

"(A) the actual number of such personnel employed as of the end of the fiscal year covered by the report; and

"(B) the amount of funds obligated for such personnel during that fiscal year.".

(c) CONFORMING REPEAL OF REQUIREMENT THAT CIVILIAN PERSONNEL END STRENGTHS BE AUTHORIZED BY LAW.—(1) Section 115(b) of such title is amended by striking out paragraph (2).

(2) Such section is further amended—

(A) by redesignating paragraph (3) as paragraph (2) and in subparagraph (A) of that paragraph—

(i) striking out "annual" before "active duty" the first place it appears in the first sentence;

(ii) striking out "the annual civilian personnel end strength level" in the first sentence and inserting in lieu thereof "projecting civilian personnel strength levels"; and

(iii) striking out "next fiscal year, and shall include in that report justification for the strength levels recommended and an explanation of the relationship between the personnel strength levels recommended for that fiscal year" and inserting in lieu thereof "next fiscal year. The Secretary shall include in that report justification for the strength levels recommended for active duty end strengths and projected for civilian personnel and an explanation of the relationship between such strength levels";

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

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

PART D—DEFENSE SUPPLIES SECURITY AND CONTROL

SEC. 341. DEFENSE SUPPLY MANAGEMENT STUDIES AND MODERNIZATION PLAN.

(a) DEFENSE INVENTORY SECURITY AND CONTROL ENHANCEMENT STUDY.—(1) The Secretary of Defense shall carry out a study to determine the effectiveness of Department of Defense procedures for ensuring security and control of supplies at Department of Defense depots. The study shall be completed not later than one year after the date of the enactment of this Act.

(2)(A) Not later than 18 months after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the results of the study. The Secretary shall submit the report in unclassified form and may also submit the report in classified form if the Secretary considers it necessary to do so in the interest of national security.

(B) The Secretary of Defense, at the same time as the Secretary submits the report under subparagraph (A), shall transmit a copy of the report to the Comptroller General of the United States.

(3) The Comptroller General shall—

(A) review the report transmitted by the Secretary of Defense under paragraph (2)(B); and

(B) submit to the Committees on Armed Services of the Senate and the House of Representatives, within 90 days after the date on which the Comptroller General receives such report, any findings and recommendations on procedures for ensuring the security and control of supplies at Department of Defense depots that the Comptroller General considers appropriate.

(b) ANALYSIS OF SALES OF SURPLUS MUNITIONS.—The Secretary of Defense shall—

(1) conduct a cost-benefit analysis of the practice of selling surplus Department of Defense munitions to the public; and

(2) submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than 180 days after the date of the enactment of this Act, a report containing a description and discussion of the practice and of the analysis of costs and benefits.

(c) SUPPLY TRACEABILITY ENHANCEMENT.—The Secretary of Defense shall—

(1) develop improved methods for the identification of and accounting for individual items of ammunition, explosives, and other Department of Defense supplies that are susceptible to pilferage; and

(2) submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than one year after the date of the enactment of this Act, a report containing a description and discussion of each such method.

(d) SUPPLY SYSTEM MODERNIZATION PLAN.—The Secretary of Defense shall—

(1) prepare a plan for the modernization of the supply facilities and supply distribution procedures of each of the military departments and the principal Defense Agencies of the Department of Defense; and

(2) not later than one year after the date of the enactment of this Act, transmit a copy of such plan to the Committees on Armed Services of the Senate and the House of Representatives.

SEC. 342. SUPPLY SECURITY AND CONTROL IMPROVEMENTS.

(a) SECURITY AND CONTROL OF SUPPLIES: REPORTS, FUNDING, PROCEDURES.—(1) Part IV of subtitle A of title 10, United States Code, is amended by adding at the end the following new chapter:

"CHAPTER 170—SECURITY AND CONTROL OF SUPPLIES

"Sec.

"2891. Report on security and control of supplies.

"2892. Miscellaneous security and control procedures.

"§ 2891. Report on security and control of supplies

"(a) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives, not later than February 1 of each year, a report on security and control of Department of Defense supplies.

"(b) Each such report shall include the following:

"(1) A summary of each of the physical inventory program plans of the Department of Defense, the Defense Logistics Agency, and the military departments for the fiscal year in which the report is submitted.

"(2) A discussion of the deficiencies, if any, in the security and control of Department of Defense supplies in the fiscal year preceding the year in which the report is submitted and a discussion of the extent to which such deficiencies have been corrected.

"(3) A discussion of—

"(A) research and development projects carried out by the Department of Defense in such preceding fiscal year for the improvement of the inventory and recordkeeping capabilities of the Department;

"(B) any proposals for expeditious application of any new technology resulting from such projects; and

"(C) the budget needs for research and development for such purpose in the fiscal year in which the report is submitted and any subsequent fiscal year for which the budget needs have been determined.

"(4) The budget authority made available to the Department of Defense for inventory

control functions in the fiscal year in which the report is submitted and in each of the five fiscal years preceding such fiscal year.

"(5) The budget authority proposed for such purpose in the budget submitted to Congress under section 1105 of title 31 for the fiscal year following the fiscal year in which the report is submitted.

"(6) The budget authority needed for such purpose in each of the five fiscal years following the fiscal year for which such budget is submitted.

"(7) An evaluation of the effectiveness of supply inventory control in the fiscal year preceding the fiscal year in which the report is submitted, the criteria used by the Secretary to make such evaluation, and the information considered by the Department in making the evaluation, including the value of supplies lost or stolen or for which accountability has otherwise been lost.

"(8) The aggregate statistics for all incidents of theft, fraud, or breach of security involving Department of Defense supplies that were investigated by military or civilian law enforcement agencies during the fiscal year preceding the fiscal year in which the report is submitted (including incidents involving munitions), a summary description of all such incidents (including the circumstances under which the incidents occurred), and the lessons learned by the Department of Defense from such incidents.

"§ 2892. Miscellaneous security and control procedures

"(a) The Secretary of Defense shall require an investigation of each discrepancy in an accounting for supplies of the Department of Defense involving an amount exceeding the amount determined under procedures prescribed by the Secretary. The Secretary shall prescribe procedures for randomly varying the minimum amount for which an investigation is required.

"(b) The Secretary shall, to the extent feasible, require that the job function of supply ordering and the job function of supply receiving be performed by different offices and individuals.

"(c) The Secretary shall ensure that an individual's performance in accounting for supplies of the Department of Defense is taken into account—

"(1) in evaluating that individual's job performance, in the case of an employee of the Department, or in determining that individual's efficiency rating, in the case of a member of the armed forces; and

"(2) in the case of a commissioned or warrant officer, in determining that individual's fitness for retention or promotion or assignment to a position of command.

"(d) The Secretary shall ensure—

"(1) that the employees of the Department of Defense and members of the armed forces assigned to manage supplies of the Department of Defense are skilled in the management of such supplies; and

"(2) that no employee of the Department of Defense and no member of the armed forces is assigned to perform such function for a disciplinary reason.".

(2) The table of chapters at the beginning of such part and such subtitle are each amended by inserting after the item relating to chapter 169 the following new item:

"170. Security and control of supplies ..... 2891".

(b) IMPLEMENTATION.—The Secretary of Defense may omit in the report for any fiscal year under section 2891 of title 10, United States Code, as added by subsection (a), the information relating to any of fiscal years 1983 through 1988, described in subsection (b)(4) of such section, for which there are inadequate records, as determined by the Secretary.

SEC. 343. LAW ENFORCEMENT ENHANCEMENT PROVISIONS.

(a) UNDERCOVER INVESTIGATIONS.—(1) Congress finds that the use of undercover investigative techniques by the Department of Defense enhances the ability of the Department of Defense to detect and investigate theft of Government property (including munitions) from the Department of Defense supply system.

(2) The Secretary of Defense is urged to continue to conduct undercover investigations to detect and investigate thefts referred to in paragraph (1).

(b) INVENTORY SECURITY INCIDENT REPOSITORY.—The Secretary of Defense shall establish and maintain a centralized computer system for recording and organizing information on theft, fraud, breach of security, and incidents involving the loss of Department of Defense supplies (including munitions).

PART E—MISCELLANEOUS

SEC. 351. REPORTS ON MOBILIZATION AND DEPLOYMENT DELAYS FOR UNITED STATES AND WARSAW PACT FORCES.

(a) UNITED STATES FORCES.—No later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives an unclassified report (with classified annexes as necessary) concerning the length of time required for the ground and air forces of the United States to enter combat at the inter-German border in the event of a major conflict in Europe. The Secretary shall include in such report, for each major combat unit (divisions and separate brigades) and major element of their combat service support in the active and reserve components which is likely to be involved in such a conflict, an estimate of the minimum time delay between the decision of the United States to mobilize and the entry of that unit into battle. Assessments shall be consistent with current levels of readiness and equipment inventories. For each unit, the report shall give the currently existing fraction of the unit's total equipment inventory, the fraction of active and reserve manning, the average number of days of training for reserve personnel in that unit during the previous year, and the transit time from the unit's peacetime location to the inter-German border.

(b) WARSAW PACT FORCES.—The Secretary shall include in the report under subsection (a) an unclassified report (with classified annexes as necessary) concerning the length of time required for the ground and air forces of the Soviet Union, the German Democratic Republic, Poland and Czechoslovakia to enter combat at the inter-German border in the event of a major conflict in Europe. All active and reserve forces of these nations currently in the NATO Guidelines Area and the Western Military District of the Soviet Union shall be reported on. For each major combat unit (divisions and separate brigades) and major element of their combat service support, the report shall give the best estimate of the minimum time delay between the Warsaw Pact decision to mobilize and the entry of that unit into battle. Assessments shall be consistent with current levels of readiness and equipment inventories. For each unit, the report shall give the best estimate of the currently existing fraction of the unit's total equipment inventory, the fraction of active and reserve manning, the average number of days of training for reserve personnel in that unit during the previous year and the transit time from the unit's peacetime location to the inter-German border.

SEC. 352. REPORT ON AVAILABILITY OF EQUIPMENT AND PERSONNEL.

(a) REPORT REQUIREMENT.—No later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives an unclassified report (with classified annexes as necessary) concerning existing major conventional military equipment and trained personnel in the ground and air forces of the United States and its NATO allies in central Europe which are not currently organized into combat or support units. The report shall include the following:

(1) An inventory of all existing major equipment possessed by the United States (including tanks, infantry fighting vehicles, artillery, antitank and air defense weapons, and helicopters and tactical aircraft) which is in storage, in war reserve material stocks, in training units, or otherwise not assigned to combat units.

(2) The number of members and former members of the Armed Forces of the United States who have received military training or performed a tour of duty in ground or air forces within the past five years and who are not currently assigned to any active or reserve combat or combat support unit.

(3) The current plans of the Department of Defense for use of the equipment listed in paragraph (1) and persons listed in paragraph (2) in the event of a major conflict in Western Europe.

(4) An estimate of the equipment and manpower inventories, as defined in paragraphs (1) and (2), in Belgium, Denmark, the Federal Republic of Germany, Luxembourg, the Netherlands, and the United Kingdom and, if known, the current plans of those nations for use of that equipment and personnel in the event of a major conflict in Western Europe.

(b) PLANS.—No later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a plan for the use of the manpower and equipment described in paragraphs (1) and (2) of subsection (a) to increase the military force which could be available for the defense of Western Europe in a time period consistent with the estimate of the warning time of an attack and the duration of such a conflict given in the 1987 Military Net Assessment made by the Joint Chiefs of Staff (or any subsequent revision thereof). The Secretary shall include in such report comments from the Reserve Component Chiefs.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized end strengths for active duty personnel as of September 30, 1989, as follows:

(1) The Army, 772,300.

(2) The Navy, 593,200.

(3) The Marine Corps, 197,200.

(4) The Air Force, 575,600.

SEC. 402. REPEAL OF STATUTORY REDUCTIONS IN STRENGTH OF ACTIVE DUTY OFFICER CORPS.

(a) PUBLIC LAW 99-661.—Section 403 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3859) is amended by striking out the

last line (relating to September 30, 1989) in the table in subsection (a).

(b) PUBLIC LAW 100-180.—Section 402(c) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1081) is repealed.

PART B—RESERVE FORCES

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) AUTHORIZATION.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1989, as follows:

(1) The Army National Guard of the United States, 457,300.

(2) The Army Reserve, 320,600.

(3) The Naval Reserve, 152,600

(4) The Marine Corps Reserve, 43,600.

(5) The Air National Guard of the United States, 115,490.

(6) The Air Force Reserve, 83,999.

(7) The Coast Guard Reserve, 13,000.

(b) CONFORMING AMENDMENTS.—(1) Section 411(c) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1082) is amended by striking out "or subsection (b)" and inserting in lieu thereof "or section 411(a) of the National Defense Authorization Act for 1989".

(2) Section 411(d) of such Act is amended by striking out "and (b)" and inserting in lieu thereof "and by section 411(a) of the National Defense Authorization Act for 1989".

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Within the strengths prescribed in section 411, the reserve components of the Armed Forces are authorized, as of September 30, 1989, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 25,725.

(2) The Army Reserve, 13,329.

(3) The Naval Reserve, 21,991.

(4) The Marine Corps Reserve, 1,945.

(5) The Air National Guard of the United States, 7,965.

(6) The Air Force Reserve, 657.

SEC. 413. INCREASE IN NUMBER OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) SENIOR ENLISTED MEMBERS.—The table in section 517(b) of title 10, United States Code, is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E-9	589	201	170	18
E-8	2,406	404	546	74".

(b) OFFICERS.—The table in section 524(a) of such title is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,191	1,000	654	115
Lieutenant Colonel or Commander	1,376	520	463	75
Colonel or Navy Captain	348	188	198	25".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on October 1, 1988.

PART C—MILITARY TRAINING

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) IN GENERAL.—For fiscal year 1989, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 80,281.

(2) The Navy, 65,925.

(3) The Marine Corps, 18,064.

(4) The Air Force, 36,857.

(5) The Army National Guard of the United States, 19,561.

(6) The Army Reserve, 17,190.

(7) The Naval Reserve, 3,136.

(8) The Marine Corps Reserve, 3,459.

(9) The Air National Guard of the United States, 2,868.

(10) The Air Force Reserve, 1,827.

(b) ADJUSTMENTS.—The average military student loads authorized in subsection (a) shall be adjusted consistent with the end strengths authorized in parts A and B. The Secretary of Defense shall prescribe the manner in which such adjustment shall be apportioned.

PART D—GENERAL MATTERS

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL FOR FISCAL YEAR 1989.

(a) IN GENERAL.—There is authorized to be appropriated to the Secretary of Defense for military personnel for fiscal year 1989 a total of $78,453,300,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1989.

(b) AIR FORCE AUTHORIZATION.—Within the amount authorized in subsection (a), $21,776,900,000 is authorized for the Air Force, as follows:

(1) Military Personnel, Air Force.

(2) Reserve Personnel, Air Force.

(3) National Guard Personnel, Air Force.

SEC. 432. REPEAL OF PRIOR FISCAL YEAR 1989 PERSONNEL AUTHORIZATIONS.

(a) REPEALER.—The following provisions of title IV of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1081 et seq.) are repealed.

(1) Subsection (b) of section 401.

(2) Subsection (b) of section 411.

(3) Subsections (a)(2) and (b)(2) of section 413.

(4) Subparagraph (B) of each of paragraphs (1) through (10) of section 421(a).

(b) CONFORMING AMENDMENT.—Section 412 of such Act is amended by striking out "and as of September 30, 1989,".

TITLE V—MILITARY PERSONNEL POLICY

PART A—GENERAL MATTERS

SEC. 501. TESTING OF NEW ENTRANTS FOR DRUG AND ALCOHOL ABUSE.

(a) REVISION OF MANDATORY TESTING PROGRAM.—(1) Section 978 of title 10, United States Code, is amended to read as follows:

"**§ 978. Drug and alcohol abuse and dependency: testing of new entrants**

"(a)(1) Except as provided in paragraph (2), the Secretary concerned shall require each member of the armed forces under the Secretary's jurisdiction, within 72 hours after the member's initial entry on active duty after enlistment or appointment, to—

"(A) undergo testing (by practicable, scientifically supported means) for drug and alcohol use; and

"(B) be evaluated for drug and alcohol dependency.

"(2) The Secretary concerned shall require an applicant for appointment as a cadet or midshipman to undergo the testing and evaluation described in paragraph (1) during the physical examination given the applicant before such appointment. The Secretary concerned shall require a person to whom a commission is offered under section 2106 of this title following completion of the program of advanced training under the Reserve Officers' Training Corps program to undergo such testing and evaluation during the precommissioning physical examination given such person.

"(b) A person who refuses to consent to testing and evaluation required by subsection (a) may not be retained in the armed forces, and any original appointment of such person as an officer shall be terminated, unless that person consents to such testing and evaluation.

"(c)(1) The enlistment or appointment of a person who is determined, as a result of an evaluation conducted under subsection (a)(1)(B), to be dependent on drugs or alcohol at the time of such enlistment or appointment shall be void.

"(2) A person whose enlistment or appointment is voided under paragraph (1) shall be referred to a civilian treatment facility.

"(d) The testing and evaluation required by subsection (a) shall be carried out under regulations prescribed by the Secretary of Defense in consultation with the Secretary of Transportation. Those regulations shall apply uniformly throughout the armed forces.

"(e) In time of war, or time of emergency declared by Congress or the President, the President may suspend the provisions of subsection (a).".

(2) The item relating to that section in the table of sections at the beginning of chapter 49 of such title is amended to read as follows:

"978. Drug and alcohol abuse and dependency: testing of new entrants".

(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations for the implementation of section 978 of title 10, United States Code, as amended by subsection (a), not later than 60 days after the date of the enactment of this Act.

(c) EFFECTIVE DATE.—The testing and evaluation program prescribed by that section shall be implemented no later than October 1, 1989.

(d) CONFORMING AMENDMENT.—Section 513(b)(2) of the National Defense Authorization Act for Fiscal Years 1988 and 1989

(Public Law 100-180; 101 Stat. 1091) is repealed.

SEC. 502. REQUIREMENT TO ACCEPT PERSONS ENLISTING IN THE AIR FORCE ON GENDER-FREE BASIS.

(a) REQUIREMENT.—(1) Chapter 833 of title 10, United States Code, is amended by inserting after section 8251 the following new section:

"§ 8252. Regular Air Force: gender-free basis for acceptance of original enlistments

"(a) Except as provided in subsection (b), in accepting persons for original enlistment in the Regular Air Force, the Secretary of the Air Force may not—

"(1) set a minimum or maximum percentage of persons who may be accepted for such an enlistment according to gender for skill categories or jobs; or

"(2) in any other way base the acceptance of a person for such an enlistment on gender.

"(b) Subsection (a) shall not apply with respect to an enlistment specified as being for training leading to designation in a skill category involving duty assignments to which, under section 8549 of this title, female members of the Air Force may not be assigned.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8251 the following new item:

"8252. Regular Air Force: gender-free basis for acceptance of original enlistments.".

(b) METHODOLOGY.—The Secretary of the Air Force shall develop a methodology for implementing section 8252 of title 10, United States Code, as added by subsection (a), no later than October 1, 1989.

(c) EFFECTIVE DATE.—Such section 8252 shall apply with respect to persons accepted for original enlistment in the Regular Air Force after September 30, 1989.

(d) REPEAL OF FY 89 REQUIREMENT FOR SPECIFIED PERCENTAGE OF AIR FORCE ENLISTEES TO BE WOMEN.—Section 551(a) of the Department of Defense Authorization Act, 1985 (10 U.S.C. 8251 note), is repealed.

PART B—FLEXIBILITY IN OFFICER PERSONNEL POLICY

DURING REDUCTIONS IN OFFICER FORCE

SEC. 511. RETENTION FLEXIBILITY PROVISIONS.

(a) IN GENERAL.—Chapter 36 of title 10, United States Code, is amended by inserting after section 638 the following new section:

"§ 638a. Reductions in officer personnel strength: modification to rules for continuation on active duty; enhanced authority for selective early retirement; selective discharges

"(a)(1) Whenever a major officer personnel strength reduction (as defined in subsection (f)) is to be made in one of the armed forces (other than the Coast Guard), the Secretary of the military department concerned may, during the fiscal year in which the reduction is to be made and the next fiscal year, take any of the actions set forth in subsection (b) with respect to officers of that armed force.

"(2) Whenever any other directed officer personnel strength reduction (as defined in subsection (d)) is to be made in one of the armed forces (other than the Coast Guard), the Secretary of Defense may authorize the Secretary of the military department concerned, during the fiscal year in which the reduction is to be made and the next fiscal year, to take any of the actions set forth in subsection (b) with respect to officers of that armed force.

"(b) Actions which the Secretary of a military department may take with respect to officers of an armed force when authorized under subsection (a) are the following:

"(1) Shortening the period of the continuation on active duty established under section 637 of this title for a regular officer who is serving on active duty pursuant to a selection under that section for continuation on active duty.

"(2) Providing that regular officers on the active-duty list may be considered for early retirement by a selection board convened under section 611(b) of this title in the case of officers described in any of subparagraphs (A) through (C) as follows:

"(A) Officers in the regular grade of lieutenant colonel or commander who would be subject to consideration for selection for early retirement under section 638(a)(1)(A) of this title except that they have failed of selection for promotion only one time (rather than two or more times).

"(B) Officers in the regular grade of colonel or, in the case of the Navy, captain who would be subject to consideration for selection for early retirement under section 638(a)(1)(B) of this title except that they have served on active duty in that grade less than four years (but not less than two years).

"(C) Officers holding a regular grade below the grade of colonel or, in the case of the Navy, captain who are not eligible for voluntary retirement under section 3911, 6323, or 8911 of this title but who after two additional years of active service as a commissioned officer would be eligible for retirement under one of those sections and whose names are not on a list of officers recommended for promotion.

"(3) Suspending section 638(c) of this title.

"(4) Providing that regular officers on the active-duty list in a grade below brigadier general (or rear admiral lower half, in the case of the Navy) may be considered for discharge or early retirement by a selection board convened under section 611(b) of this title in the case of officers—

"(A) who have served at least six months of active duty in the grade currently held;

"(B) whose names are not on a list of officers recommended for promotion; and

"(C) who are not eligible for consideration for early retirement under paragraph (2).

"(c) In the case of an action under subsection (b)(2), the Secretary of the military department concerned shall specify the number of officers described in that subsection which a selection board convened under section 611(b) of this title pursuant to the authority of that subsection may recommend for early retirement. Such number may not be more than 30 percent of the number of officers considered in each grade in each competitive category.

"(d)(1) In the case of an action under subsection (b)(4), the Secretary of the military department concerned may submit to a selection board convened under section 611(b) of this title pursuant to the authority of that subsection—

"(A) the names of all officers described in such subsection in a particular grade and competitive category; or

"(B) the names of all officers described in that subsection in a particular grade and competitive category who also are in particular year groups or specialties, or both, within that competitive category.

"(2) In a case covered by paragraph (1), the Secretary of the military department concerned shall specify the total number of officers described in subsection (b)(4) to be recommended for discharge or retirement by the selection board. That number may not be more than 30 percent of the number of officers considered—

"(A) in each grade in each competitive category; or

"(B) in each grade, year group, or specialty (or combination thereof) in each competitive category.

"(3) The total number of officers described in subsection (b)(4) who may be recommended during a fiscal year for discharge or retirement by a selection board convened under section 611(b) of this title pursuant to the authority of that subsection may not exceed 70 percent of the decrease, as compared to the preceding fiscal year, in the number of officers, or the number of officers in a particular grade, of the armed force concerned authorized to be serving on active duty (other than for training or for the purposes specified in section 678 of this title).

"(4) An officer who is recommended for discharge or retirement by a selection board convened pursuant to the authority of subsection (b)(4) and whose discharge or retirement is approved by the Secretary concerned shall—

"(A) if eligible to retire under any provision of law, be retired on a date specified by the Secretary concerned;

"(B) if not eligible to be retired under any provision by law, and if not within two years of becoming so eligible, be discharged on a date specified by the Secretary concerned; or

"(C) if not eligible to be retired under any provision of law but within two years of becoming so eligible, be retained on active duty until he is qualified for retirement under section 3911, 6323, or 8911 of this title, and then be retired under that section on a date specified by the Secretary concerned, unless he is sooner retired or discharged under some other provision of law.

"(5) Selection of officers for discharge or retirement under subsection (b)(4) shall be based on the needs of the service.

"(e) The discharge or retirement of an officer pursuant to this section shall be considered to be involuntary for purposes of any other provision of law.

"(f) For purposes of subsection (a)—

"(1) a directed officer personnel strength reduction in one of the armed forces is a reduction required by law or direction of the President or Secretary of Defense in the total authorized strength of commissioned officers on active duty in that armed force as of the end of a fiscal year from the total authorized strength of commissioned officers on active duty in that armed force as of the end of the preceding fiscal year; and

"(2) a major officer personnel strength reduction in one of the armed forces is a directed officer personnel strength reduction in that armed force of 1 percent or more.

"(g) The authorized strength of commissioned officers on active duty for purposes of this section shall be computed in the same manner as applies to section 523 of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter IV of such chapter is amended by inserting after the item relating to section 638 the following new item:

"638a. Reductions in officer personnel strength: modification to rules for continuation on active duty; enhanced authority for selective early retirement; selective discharges.".

SEC. 512. SHORTENING OF PERIODS OF CONTINUED ACTIVE DUTY.

Section 637 of title 10, United States Code, is amended—

(1) by adding at the end of subsection (c) the following new sentence: "The period of the continuation on active duty of an officer under this section may be reduced by the Secretary concerned in the case of any officer as provided in section 638a of this title.";

(2) by redesignating subsection (d) as subsection (e); and

(3) by inserting after subsection (c) the following new subsection:

"(d) For purposes of this section, a period of continuation on active duty under this section expires or is completed on the earlier of (1) the date originally established for the termination of such period, or (2) the date established for the termination of such period by any shortening of such period under section 638a of this title.".

SEC. 513. SELECTIVE EARLY RETIREMENT.

(a) IN GENERAL.—Subsection (a) of section 638 of title 10, United States Code, is amended to read as follows:

"(a)(1) A regular officer on the active-duty list of the Army, Navy, Air Force, or Marine Corps may be considered for selective early retirement by a selection board convened under section 611(b) of this title if the officer is described in any of subparagraphs (A) through (D) as follows:

"(A) An officer holding the regular grade of lieutenant colonel or commander who has failed of selection for promotion to the grade of colonel or, in the case of an officer of the Navy, captain two or more times and whose name is not on a list of officers recommended for promotion.

"(B) An officer holding the regular grade of colonel or, in the case of an officer of the Navy, captain who has served at least four years of active duty in that grade and whose name is not on a list of officers recommended for promotion.

"(C) An officer holding the regular grade of brigadier general or rear admiral (lower half) who has served at least three and one-half years of active duty in that grade and whose name is not on a list of officers recommended for promotion.

"(D) An officer holding the regular grade of major general or rear admiral who has served at least three and one-half years of active duty in that grade.

"(2) A regular officer on the active-duty list of the Army, Navy, Air Force, or Marine Corps may also be considered for early retirement under the circumstances prescribed in section 638a of this title.

"(3) The Secretary of the military department concerned shall specify the number of officers described in paragraphs (1)(A) and (1)(B) which a selection board convened under section 611(b) of this title may recommend for early retirement. Such number may not be more than 30 percent of the number of officers considered in each grade in each competitive category.".

(b) CONFORMING AMENDMENT.—Subsection (b)(1) of such section is amended by inserting "or section 638a of this title" after "under this section".

SEC. 514. REQUIRED LENGTH OF COMMISSIONED SERVICE FOR VOLUNTARY RETIREMENT.

(a) ARMY AND AIR FORCE.—Sections 3911 and 8911 of title 10, United States Code, are amended—

(1) by inserting "(a)" at the beginning of the text of the section; and

(2) by adding at the end the following new subsection:

"(b)(1) Whenever a major officer personnel strength reduction (as defined in paragraph (3)) is to be made, the Secretary may reduce the requirement under subsection (a) for at least 10 years of active service as a commissioned officer to a period (determined by the Secretary) of not less than eight years for any retirement occurring during the fiscal year in which the officer personnel strength reduction is to be made or during the following fiscal year.

"(2) Whenever any other directed officer personnel strength reduction (as defined in paragraph (3)) is to be made, the Secretary of Defense may authorize the Secretary to make a reduction in years of active service described in paragraph (1).

"(3) For purposes of this subsection—

"(A) a directed officer personnel strength reduction is a reduction in the authorized strength of commissioned officers on active duty under the jurisdiction of the Secretary as of the end of a fiscal year from the authorized strength of such officers as of the end of the preceding fiscal year that is required by law or direction of the President or Secretary of Defense; and

"(B) a major officer personnel strength reduction is a directed officer personnel strength reduction of 1 percent or more.

"(4) The authorized strength of commissioned officers on active duty for purposes of this subsection shall be computed in the same manner as applies to section 523 of this title.".

(b) NAVY AND MARINE CORPS.—Section 6323(a) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a)"; and

(2) by adding at the end the following new paragraph:

"(2)(A) Whenever a major officer personnel strength reduction (as defined in subparagraph (C)) is to be made in the Navy or the Marine Corps, the President may reduce the requirement under paragraph (1) for at least 10 years of active service as a commissioned officer to a period (determined by the President) of not less than eight years for any retirement occurring during the fiscal year in which the officer personnel strength reduction is to be made or during the following fiscal year.

"(B) Whenever any other directed officer personnel strength reduction (as defined in subparagraph (C)) is to be made, the President may authorize a reduction in years of active service described in paragraph (1).

"(C) For purposes of this paragraph—

"(i) a directed officer personnel strength reduction is a reduction in the authorized strength of commissioned officers on active duty in the Navy or Marine Corps as of the end of a fiscal year from the authorized strength of such officers as of the end of the preceding fiscal year that is required by law or direction of the President or Secretary of Defense; and

"(ii) a major officer personnel strength reduction is a directed officer personnel strength reduction of 1 percent or more.

"(D) The authorized strength of commissioned officers on active duty for purposes of this subsection shall be computed in the same manner as applies to section 523 of this title.".

SEC. 515. SELECTIVE EARLY RETIREMENT FOR CERTAIN PRE-DOPMA NAVY AND MARINE CORPS OFFICERS.

(a) CONFORMANCE TO ARMY AND AIR FORCE PROVISIONS.—Subsection (a)(2) of section 613 of the Defense Officer Personnel Management Act (Public Law 96-513; 10 U.S.C. 611 note) is amended—

(1) by striking out "or" at the end of clause (B);

(2) by striking out the period at the end of clause (C) and inserting in lieu thereof "; or"; and

(3) by adding at the end the following new clause:

"(D) selected for early retirement under section 638 of title 10, United States Code.".

(b) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) by striking out "on the effective date of this Act" in the matter in subsection (a)(1) preceding clause (A) and inserting in lieu thereof "on September 15, 1981"; and

(2) by striking out "on the day before the effective date of this Act" each place it appears in such section and inserting in lieu thereof "on September 14, 1981".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1989.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of compensation of members of the uniformed services to become effective during fiscal year 1989 shall not be made.

(b) FOUR PERCENT INCREASE IN BASIC PAY AND BAS.—The rates of basic pay and basic allowance for subsistence of members of the uniformed services are increased by 4 percent effective on January 1, 1989.

(c) INCREASE IN BAQ.—(1) The rates of basic allowance for quarters for members of the uniformed services are increased by 7 percent effective on January 1, 1989.

(2) The Secretary of Defense may allocate the amount of increase in the rates of basic allowance for quarters specified in paragraph (1) among pay grades of members of the uniformed services so that the resulting basic allowance for quarters for each pay grade is a percentage, which is as nearly as practicable equal across all pay grades, of the national median housing costs of members in that pay grade. In no event, however, may the rates of basic allowance for quarters for any pay grade be less than the rate in effect on December 31, 1988.

(d) FOUR PERCENT INCREASE IN CADET AND MIDSHIPMAN PAY.—Effective January 1, 1989, section 203(c)(1) of title 37, United States Code, is amended by striking out "$504.30" and inserting in lieu thereof "$524.40".

SEC. 602. ALLOWANCE FOR TRANSPORTATION OF HOUSEHOLD GOODS.

(a) ALLOWANCE.—Section 406(b)(1) of title 37, United States Code, is amended—

(1) by striking out "within such weight allowances prescribed by the Secretaries concerned" in subparagraph (A) and inserting in lieu thereof "within the weight allowances listed in subparagraph (C)"; and

(2) by adding at the end the following new subparagraph:

"(C) Under regulations prescribed by the Secretary of Defense, the weight allowance to which a member is entitled under subparagraph (A) is the number of pounds listed in the first column (in the case of a member without dependents) or in the second column (in the case of a member with dependents) across from the member's pay grade in the following table:

Pay Grade	Without Dependents	With Dependents
0-10 to 0-6	18,000	18,000
0-5	16,000	17,500
0-4	14,000	17,000
0-3	13,000	14,500
0-2	12,500	13,500
0-1	10,000	12,000
W-4	14,000	17,000
W-3	13,000	14,500
W-2	12,500	13,500
W-1	10,000	12,000
E-9	12,000	14,500
E-8	11,000	13,500
E-7	10,500	12,500
E-6	8,000	11,000
E-5	7,000	9,000
[1]E-4	7,000	8,000
[2]E-4	3,500	7,000
E-3	2,000	5,000
E-2	1,500	5,000
E-1	1,500	5,000

"[1] Member with more than two years of service computed under section 205 of this title.

"[2] Member with less than two years of service computed under section 205 of this title.".

(b) EFFECTIVE DATE.—The weight allowances in section 406(b)(1)(C) of title 37, United States Code (as added by subsection (a)), shall apply with respect to transportation of baggage and household effects occurring after May 1, 1989.

PART B—OTHER PERSONNEL BENEFITS

SEC. 611. AVIATION CONTINUATION PAY.

(a) IN GENERAL.—(1) Chapter 5 of title 37, United States Code, is amended by inserting after section 301c the following new section:

"§ 301d. Special pay: aviator continuation pay

"(a)(1) An aviation officer described in subsection (b) who executes a written agreement to remain on active duty in aviation service for at least one year may, upon the acceptance of the written agreement by the Secretary concerned, be paid special pay as provided in this section.

"(2) The amount of such special pay shall be not more than—

"(A) $12,000 for each year covered by the agreement, if the officer agrees to remain on active duty to complete 14 years of commissioned service; or

"(B) $6,000 for each year covered by the agreement if the officer agrees to remain on active duty for one or two years.

"(3) The agreement length and payment amount may be prorated as long as an agreement under this section does not extend beyond the date on which the officer would complete 14 years of commissioned service.

"(4) Upon the officer's acceptance of the agreement, and subject to subsection (e), the total amount payable becomes fixed and may be paid in either a lump sum or in installments.

"(b)(1) This section applies to an officer of a uniformed service who—

"(A) is entitled to aviation career incentive pay under section 301a of this title;

"(B) is in a pay grade below pay grade 0-6;

"(C) is qualified to perform operational flying duty (as defined in clause (6) of section 301a(a) of this title);

"(D) has completed at least six but less than 13 years of active duty;

"(E) has completed any active duty service commitment incurred for undergraduate aviator training; and

"(F) is in an aviation specialty designated by the Secretary concerned, and approved by the Secretary of Defense or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, as critical.

"(2) For purposes of paragraph (1)(F), an aviation specialty shall be considered subject to designation as critical when there exists a current shortage of officers in that specialty.

"(c) Special pay under this section is in addition to any other pay and allowances to which an officer is entitled.

"(d)(1) Refunds shall be required, on a pro rata basis, of sums paid under this section if the officer who has received the payment fails to complete the total period of active duty specified in the agreement, as conditions and circumstances warrant.

"(2) Nothing in this section shall alter or modify the obligation of a regular officer to perform active service at the pleasure of the President. Completion of the agreed-upon period of active duty in aviation service under this section shall not obligate the President to accept a resignation submitted by a regular officer.

"(3) An obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

"(4) A discharge in bankruptcy under title 11 that is entered less than 10 years after the termination of an agreement under this section does not discharge the member signing such agreement from a debt arising under such agreement or under paragraph (1). This paragraph applies to any case commenced under title 11 after October 1, 1988.

"(e) For a period not to exceed two years after the date of the enactment of this section, written agreements may be accepted by the Secretary concerned from officers who have completed at least 13 but less than 16 years of officer service (notwithstanding subsection (b)(4)) and who otherwise meet the eligibility criteria of this section. An agreement under this subsection may not extend beyond the date on which the officer would complete 16 years of service.

"(f) An agreement for special pay under section 301b of this title may not be accepted by the Secretary of Defense after the date of the enactment of this section.

"(g) In this section:

"(1) The term 'aviation service' means the service performed by an officer holding an aeronautical rating or designation (except a flight surgeon or other medical officer).

"(2) The term 'aviation specialty' means a community of pilots or other designated aeronautical officers identified by type of aircraft or weapon system.

"(h) This section shall be administered under regulations prescribed by the Secretaries concerned and approved by the Secretary of Defense or the Secretary of Transportation, as appropriate.

"(i) Special pay may not be paid under this section for an agreement that applies to a period of active duty that begins after September 30, 1991.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 301c the following new item:

"301d. Special pay: aviator continuation pay.".

(b) REPORT.—The Secretaries of the Navy and Air Force shall each submit to Congress, not later than July 1, 1990, a written report, approved by the Secretary of Defense, on the payment of special pay for aviation career officers under section 301d of title 10, United States Code (as added by subsection (a)). Each such report shall include the following:

(1) A list of the specific aviation specialties by aircraft type determined to be critical for purposes of the payment of special pay under such section.

(2) The number of officers within each critical aviation specialty who received the special pay under such section, set forth by grade, years of prior active service, and amounts of special pay received.

(3) The number of officers within each critical aviation specialty receiving special pay under such section whose principal duties are not operational flying.

(4) An explanation and justification for the Secretary's designation of an aviation specialty as critical and for the payment of special pay under such section to officers who have more than eight years of prior active service and who are serving in pay grade 0-4 or above, if payment of such pay was made to such officers.

(5) An evaluation of the progress made since the date of the enactment of this Act toward eliminating shortages of aviators in the aviation specialties designated by the Secretary as critical.

(c) AUTHORIZATION.—Within the amount authorized for fiscal year 1989 for military personnel under section 431, the sum of $36,200,000 is authorized to be appropriated for such fiscal year for special pay under section 301d of title 37, United States Code, as added by subsection (a).

SEC. 612. AUTHORIZATION OF APPROPRIATIONS FOR INCENTIVE SPECIAL PAY FOR MEDICAL OFFICERS.

Within the amount authorized for fiscal year 1989 for military personnel under section 431, the sum of $50,000,000 is authorized to be appropriated for such fiscal year for incentive special pay under section 302(b) of title 37, United States Code.

SEC. 613. HOUSING LEASE INDEMNITY PROGRAM.

(a) IN GENERAL.—(1) Chapter 53 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1055. Rental housing lease indemnity program

"(a) The Secretary of Defense may carry out a program under which the Secretary of a military department may guarantee compensation of any person who leases a rental unit to any member of the armed forces under the jurisdiction of the Secretary for a breach of the lease or for damage to the rental unit by the member.

"(b)(1) In accordance with action taken by the Secretary of Defense under subsection (a), the Secretary of each military department shall carry out the program established under subsection (a).

"(2) For purposes of carrying out this section, the Secretary of a military department, to the extent funds are provided in advance in appropriation Acts, may enter into an agreement with any person who leases a rental unit to any member of the armed forces under the jurisdiction of the Secretary. An agreement under this paragraph shall provide that—

"(A) the term of the agreement shall be for not more than one year;

"(B) the member shall not pay a security deposit;

"(C) the Secretary (except as provided in subparagraphs (D) and (E)) shall compensate the lessor for breach of the lease by the member and for damage to the rental unit caused by the member or by any guest or dependent of the member;

"(D) the total liability of the Secretary for a breach of the lease or for damage described in subparagraph (C) shall not exceed an amount equal to the amount that the Secre-

tary determines would have been required by the lessor as a security deposit absent the agreement authorized in this paragraph;

"(E) the Secretary shall not compensate the lessor for breach of the lease or for damage described in subparagraph (C) until the lessor exhausts any remedies available to the lessor against the member for the breach or damage; and

"(F) the Secretary shall be subrogated to the rights of the lessor in any case in which the Secretary compensates the lessor for breach of the lease or for damage described in subparagraph (C).

"(3) Any authority of the Secretary of a military department under this section shall be exercised under regulations prescribed by the Secretary of Defense.

"(c) RECOVERY FROM MEMBER.—The Secretary of a military department who compensates a lessor under subsection (b) for a breach of a lease or damage of a rental unit by a member of the armed forces may issue a special order under section 1007 of title 37 to authorize the withholding from the pay of the member of an amount equal to the amount paid by the Secretary to the lessor as compensation for the breach or damage.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1055. Rental housing lease indemnity program.".

(b) EFFECTIVE DATE.—Section 1055 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1988.

SEC. 614. TECHNICAL CORRECTION TO SURVIVOR BENEFIT PLAN COVERAGE OF FORMER SPOUSES.

(a) INCLUSION OF FORMER SPOUSES IN SAVINGS PROVISION.—Section 1451(e)(1) of title 10, United States Code, is amended—

(1) by striking out "widow or widower" in subparagraph (A) and inserting in lieu thereof "widow, widower, or former spouse"; and

(2) by inserting "or former spouse" in subparagraph (B) after "A spouse".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments under the Survivor Benefit Plan established under subchapter II of chapter 73 of title 10, United States Code, for periods after February 28, 1986.

SEC. 615. LIMITED EXTENSION OF CERTAIN MEDICAL BENEFITS FOR FORMER SPOUSES.

(a) MEDICAL COVERAGE.—Section 1076 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) A person described in paragraph (2) shall be considered a dependent for purposes of this section for a period of one year after the date of the person's final decree of divorce, dissolution, or annulment. In addition, if such a person purchases a conversion health policy within the one-year period referred to in the preceding sentence, such person shall be entitled, upon request, to medical and dental care prescribed by section 1077 of this title for a period of one year after the purchase of the policy for any condition of the person that existed on the date on which coverage under the policy begins and for which care is not provided under that policy.

"(2) A person referred to in paragraph (1) is a person who would qualify as a dependent under section 1072(2)(G) but for the fact that the person's final decree of divorce, dissolution, or annulment is dated on or after April 1, 1985.

"(3) In this subsection, the term 'conversion health policy' means a health insurance plan with a private insurer, developed through negotiations between the Secretary of Defense and a private insurance firm, that is available for purchase by or for the use of persons described in paragraph (2).".

(b) CONFORMING AMENDMENT.—Section 645(c) of the Department of Defense Authorization Act, 1985 (10 U.S.C. 1072 note) is repealed effective as of the effective date of section 1076(f) of title 10, United States Code (as added by subsection (a)).

(c) TRANSITION.—Any person who qualified as a dependent under section 645(c) of the Department of Defense Authorization Act, 1985, as in effect before its repeal by subsection (b), shall remain qualified as a dependent as specified in that section and shall become eligible for benefits in accordance with section 1076(f) of title 10, United States Code (as added by subsection (a)), when no longer qualified as a dependent pursuant to such section 645(c).

(d) EFFECTIVE DATE.—Section 1076(f) of title 10, United States Code, as added by subsection (a) shall take effect on the date of enactment of this Act or 30 days after the Secretary of Defense first makes available a conversion health policy (as defined in such section), whichever is later. Such section shall apply to persons whose decree of divorce, dissolution, or annulment becomes final after the date of the enactment of this Act.

PART C—BENEFITS FOR DEPENDENTS OF CERTAIN RESERVE MEMBERS INCAPACITATED IN LINE OF DUTY

SEC. 621. COMPENSATION FOR CERTAIN RESERVE MEMBERS.

(a) AUTHORIZATION OF COMPENSATION.—Subsections (g) and (h) of section 204 of title 37, United States Code, are amended to read as follows:

"(g)(1) A member of a reserve component of a uniformed service is entitled to the pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service whenever such member is physically disabled in line of duty from injury, illness, or disease incurred or aggravated—

"(A) in line of duty while performing active duty;

"(B) in line of duty while performing inactive-duty training (other than work or study in connection with a correspondence course of an armed force or attendance in an inactive status at an educational institution under the sponsorship of an armed force or the Public Health Service); or

"(C) while traveling directly to or from such duty or training.

"(2) In the case of a member who receives earned income from nonmilitary employment or self-employment performed in any month in which the member is otherwise entitled to pay and allowances under paragraph (1), the total pay and allowances shall be reduced by the amount of such income. In calculating earned income for the purpose of the preceding sentence, income from an income protection plan, vacation pay, or sick leave which the member elects to receive shall be considered.

"(h)(1) A member of a reserve component of a uniformed service who is physically qualified to perform his military duties, is entitled, upon request, to a portion of the monthly pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service for each month for which the member demonstrates a loss of earned income from nonmilitary employment or self-employment as a result of an injury, illness, or disease incurred or aggravated—

"(A) in line of duty while performing active duty;

"(B) in line of duty while performing inactive-duty training (other than work or study in connection with a correspondence course of an armed force or attendance in an inactive status at an educational institutional under the sponsorship of an armed force or the Public Health Service); or

"(C) while traveling directly to or from such duty or training.

"(2) The monthly entitlement shall not exceed the member's demonstrated loss of earned income from nonmilitary or self-employment. In calculating such loss of income, income from an income protection plan, vacation pay, or sick leave which the member elects to receive shall be considered.".

(b) LIMIT ON TOTAL COMPENSATION.—Such section is further amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection (i):

"(i)(1) The total amount of pay and allowances paid under subsections (g) and (h) and compensation paid under section 206(a) of this title for any period may not exceed the amount of pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service for that period.

"(2) Pay and allowances may not be paid under subsection (g) or (h) for a period of more than six months. The Secretary concerned may extend such period in any case if the Secretary determines that it is in the interests of fairness and equity to do so.

"(3) A member is not entitled to benefits under subsection (g) or (h) if the injury, illness, disease, or aggravation of an injury, illness, or disease is the result of the gross misconduct of the member.

"(4) Regulations with respect to procedures for paying pay and allowances under subsections (g) and (h) shall be prescribed—

"(A) by the Secretary of Defense for the armed forces under the jurisdiction of the Secretary; and

"(B) by the Secretary of Transportation for the Coast Guard when the Coast Guard is not operating as a service in the Navy.".

(c) CONFORMING AMENDMENT FOR INACTIVE-DUTY TRAINING.—Section 206(a) of such title is amended by striking out "for a period of 30 days or less" in paragraph (3)(A)(i).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to persons who, after the date of enactment of this Act, incur or aggravate an injury, illness, or disease, or die.

SEC. 622. TRAVEL FOR DEPENDENTS OF CERTAIN MEMBERS.

(a) TRAVEL AUTHORIZED.—Paragraph (2) of section 411h(a) of title 37, United States Code, is amended to read as follows:

"(2) A member referred to in paragraph (1) is a member of the uniformed services who—

"(A) is serving on active duty or is entitled to pay and allowances under section 204(g) of this title (or would be so entitled were it not for offsetting earned income described in that section);

"(B) is seriously ill or seriously injured; and

"(C) is hospitalized in a medical facility in or outside the United States.".

(b) TRAVEL TO BURIAL CEREMONIES.—Section 411f(a) of such title is amended by

striking out "for a period of 30 days or more" and inserting in lieu thereof "or inactive duty".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1988.

PART D—HEALTH CARE PROVISIONS

SEC. 631. REQUIREMENT TO SUBMIT END STRENGTHS FOR MEDICAL PERSONNEL.

(a) REQUIREMENT.—Section 115(b)(1) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

"(D) Each year the Secretary of Defense shall include in the budget materials submitted to Congress (under section 1105 of title 31), as part of the end strengths recommended for authorization under this subsection for the fiscal year for which the budget is being submitted, a separate statement on the recommended end strength levels for all members of the armed forces of each military department who are medical personnel. For purposes of the statement, medical personnel includes medical officers, dental officers, veterinary officers, optometrists, podiatrists, psychologists, nurses, biomedical sciences officers, enlisted personnel engaged in medically related jobs, and such other personnel as the Secretary considers appropriate.".

(b) FIRST STATEMENT.—The first statement required under section 115(b)(1)(D) of title 10, United States Code, as added by subsection (a), shall be submitted with the budget for fiscal year 1990.

SEC. 632. REQUIREMENTS WITH RESPECT TO CERTAIN NAVY MEDICAL PERSONNEL.

(a) REQUIREMENT TO REHIRE CERTAIN CIVILIANS.—The Secretary of the Navy shall, by reallocating funds for civilian personnel in the Navy, restore to the level of January 1, 1986, the number of civilian personnel employed in Navy medical treatment facilities, including rehiring the same number of ancillary support personnel who were released, as of the date of the enactment of this Act, as a result of implementation of policy contained in the Fiscal Year 1988 Manpower, Personnel, and Training Program Appraisal Memorandum of the Chief of Naval Operations (dated December 12, 1985). After the date of the enactment of this Act, the Secretary may not reduce the number of ancillary support personnel at Navy medical treatment facilities for purposes of implementing the policy outlined in such memorandum.

(b) PROHIBITION ON INCLUSION OF CERTAIN ENLISTED MEMBERS.—In determining the number of medical personnel allocated to the Navy Medical Command of the Department of the Navy, the Secretary of the Navy may not count as part of that number any enlisted members of the Navy who are not trained in medical skills or medically related skills and who were assigned to a Navy medical treatment facility as a result of implementation of the Fiscal Year 1988 Manpower, Personnel, and Training Program Appraisal Memorandum of the Chief of Naval Operations (dated December 12, 1985).

SEC. 633. SHARING OF HEALTH-CARE RESOURCES WITH THE VETERANS' ADMINISTRATION.

(a) IN GENERAL.—Chapter 55 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1104. Sharing of health-care resources with the Veterans' Administration

"(a) Health-care resources of the Department of Defense may be shared with health-care resources of the Veterans' Administration in accordance with section 5011 of title 38 or under section 1535 of title 31. Members of the armed forces on active duty during and immediately following a period of war or a national emergency involving the use of the armed forces in armed conflict may be provided health-care services by the Veterans' Administration in accordance with section 5011A of title 38.

"(b) In any agreement entered into under such section 5011 or section 1535, the Secretary of the military department concerned may reimburse the Veterans' Administration from operations and maintenance funds available for payment of medical care provided under section 1079 or 1086 of this title.

"(c) The Secretary of Defense may prescribe by regulation a premium, deductible, copayment, or other charge for health care provided to covered beneficiaries under this chapter (as defined in section 1072) pursuant to an agreement entered into under such section 5011 or section 1535.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1104. Sharing of health-care resources with the Veterans' Administration.".

SEC. 634. REQUIREMENT THAT FORMER PUBLIC HEALTH SERVICE HOSPITALS BE COST EFFECTIVE.

Section 1252(e) of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d(e)), is amended—

(1) by striking out "which identifies" in the second sentence and all that follows through the end of that sentence and inserting in lieu thereof the following: "which (1) identifies the facility whose status is being terminated; (2) specifies the date on which such status is being terminated; and (3) certifies that more cost-effective medical and dental care for members and former members of the uniformed services or their dependents is available elsewhere in the same geographic area."; and

(2) by inserting after the third sentence the following: "Each such copy of the order shall include a copy of the certification required in clause (3) of the second sentence of this subsection and shall contain cost data substantiating the termination decision and identifying how more cost-effective care will be provided to the affected individuals.".

TITLE VII—GOLDWATER-NICHOLS REORGANIZATION ACT AMENDMENTS

SEC. 701. DESIGNATION IN EACH MILITARY DEPARTMENT OF ASSISTANT SECRETARY WITH RESPONSIBILITY FOR FINANCIAL MANAGEMENT.

(a) DEPARTMENT OF THE ARMY.—Section 3016(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4) One of the Assistant Secretaries shall have as his principal responsibility the exercise of the comptroller functions of the Department of the Army, including financial management functions.".

(b) DEPARTMENT OF THE NAVY.—Section 5016(b) of such title is amended by adding at the end the following new paragraph:

"(3) One of the Assistant Secretaries shall have as his principal responsibility the exercise of the comptroller functions of the Department of the Navy, including financial management functions.".

(c) DEPARTMENT OF THE AIR FORCE.—Section 8016(b) of such title is amended by adding at the end the following new paragraph:

"(3) One of the Assistant Secretaries shall have as his principal responsibility the exercise of the comptroller functions of the Department of the Air Force, including financial management functions.".

(d) NUMBER OF ASSISTANT SECRETARIES IN THE DEPARTMENT OF THE AIR FORCE.—Section 8016(a) of such title is amended by striking out "three" and inserting in lieu thereof "four".

SEC. 702. EXTENSION OF TRANSITION TO JOINT DUTY ASSIGNMENT STAFFING REQUIREMENTS.

(a) GENERAL EXTENSION.—Subsection (a) of section 406 of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433; 100 Stat. 1033) is amended to read as follows:

"(a) JOINT DUTY ASSIGNMENTS.—(1) Section 661(d) of title 10, United States Code, shall be implemented as rapidly as possible and (except as provided under paragraph (2)) not later than October 1, 1989.

"(2) The third sentence of section 661(d)(2) of such title shall apply with respect to any position designated under the first sentence of that section as a critical joint duty assignment position which becomes vacant after January 1, 1989.".

(b) CRITERIA FOR INITIAL SELECTION OF OFFICERS FOR JOINT SPECIALTY.—Subsection (b)(1)(B)(ii) of such section is amended by striking out "two years" and inserting in lieu thereof "one year".

(c) TIME FOR INITIAL SELECTION OF OFFICERS FOR THE JOINT SPECIALTY.—Subsection (b)(3) of such section is amended by striking out "two years after the date of the enactment of this Act" and inserting in lieu thereof "on October 1, 1989".

(d) DATE OF ENACTMENT REFERENCES.—Subsection (b)(1)(B)(iii) of such section is amended by striking out "before the date of the enactment of this Act (or being served on the date of the enactment of this Act)" and inserting in lieu thereof "before October 1, 1986 (or being served on October 1, 1986),".

SEC. 703. ADDITIONAL TRANSITION PROVISION FOR IMPLEMENTATION OF PREREQUISITE FOR PROMOTION TO INITIAL FLAG AND GENERAL OFFICER GRADE.

(a) SUSPENSION OF STATUTORY REQUIREMENT.—The Secretary of Defense, in applying section 619(e) of title 10, United States Code, shall suspend the operation of the first sentence of paragraph (1) of such section with respect to the class of officers who on September 30, 1988—

(1) are serving in the grade of colonel or have been selected for promotion to the grade of colonel; or

(2) in the case of officers of the Navy, are serving in the grade of captain or have been selected for promotion to the grade of captain.

(b) ADMINISTRATIVE GUIDELINES.—In the management of officers covered by subsection (a) who are eligible for selection for promotion to the grade of brigadier general or rear admiral (lower half), the Secretary of Defense shall (to the extent the Secretary considers appropriate with respect to any such officer or group of such officers) provide for the service of such officers in joint duty assignments in the same manner (or a similar manner) as would be applicable to such officers under the first sentence of section 619(e)(1) of title 10, United States Code, but for the provisions of subsection (a).

(c) APPLICABILITY OF EXISTING WAIVER AUTHORITY.—Section 619(e)(2)(D) of title 10, United States Code, is amended by striking out "(other than a joint duty assignment)".

SEC. 704. COUNTING OF OFFICERS WITH CRITICAL OCCUPATIONAL SPECIALTY INVOLVING COMBAT OPERATIONS FOR PURPOSES OF JOINT DUTY ASSIGNMENT STAFFING.

Section 661(d)(4) of title 10, United States Code, is amended by striking out "one-third" and inserting in lieu thereof "15 percent".

SEC. 705. BUDGETS FOR UNIFIED AND SPECIFIED COMMANDS.

Section 166 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "for such activities of each of the unified and specified combatant commands as may be determined under subsection (b)" and inserting in lieu thereof "for each of the unified and specified combatant commands"; and

(2) in subsection (b)—

(A) by striking out "the Secretary" in the first sentence and all that follows through "include" in the second sentence; and

(B) by adding at the end the following:

"(5) Command and control.".

SEC. 706. SERVICE BY CAPTAINS AND NAVY LIEUTENANTS IN JOINT DUTY ASSIGNMENT TO BE COUNTED FOR ALL OFFICER PERSONNEL LAWS CONCERNING SUCH SERVICE.

Any service by an officer in the grade of captain or, in the case of the Navy, lieutenant in a joint duty assignment (as defined in regulations prescribed under section 668(b) of title 10, United States Code) shall be considered to be service in a joint duty assignment for purposes of all laws (including section 619(e)(1) of such title) establishing a requirement or condition with respect to an officer's service in a joint duty assignment.

SEC. 707. REPORT REQUIREMENTS AND TECHNICAL AMENDMENTS.

(a) REPORT ON INITIAL UNIFIED COMMAND PLAN AND REVIEW OF SERVICE ROLES AND MISSIONS.—(1) Not later than April 1, 1989, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the implementation of sections 153(b) and 161(b) of title 10, United States Code.

(2) With respect to the initial report of the Chairman of the Joint Chiefs of Staff to the Secretary of Defense under such section 153(b) (relating to the assignment of functions (or roles and missions) to the armed forces), the report under paragraph (1) shall particularly describe how such report addressed each of the matters that the Chairman was required (under the second sentence of such section) to consider in preparing the report.

(3) With respect to the initial review of the Chairman under such section 161(b) (relating to the missions, responsibilities, and force structures of the unified and specified combatant commands), the report shall particularly describe how such review took into consideration each of the matters specified in paragraphs (1) through (10) of section 212(a) of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433; 100 Stat. 1017).

(4) The report under paragraph (1) shall describe, with respect to each of the reports referred to in paragraphs (2) and (3)—

(A) the Secretary's evaluation of each of the findings and conclusions of the Chairman in the report;

(B) how the Secretary has implemented (or proposes to implement) each of the recommendations in the report; and

(C) such recommendations for further legislative and administrative action as the Secretary considers appropriate based on his review of the report.

(b) ANNUAL REPORT ON IMPLEMENTATION OF PLAN FOR SPECIAL TRANSITION RULE FOR NUCLEAR PROPULSION OFFICER.—Not later than March 1 of each year from 1989 through 1992, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the implementation during the preceding calendar year of the transition plan developed pursuant to section 1305(b) of Public Law 100-180 (101 Stat. 1173).

(c) TECHNICAL AMENDMENTS RELATING TO JOINT DUTY ASSIGNMENTS.—(1) Section 154(b)(1)(B) of title 10, United States Code, is amended by striking out "served in at least one joint duty assignment (as defined under section 668(b) of this title)" and inserting in lieu thereof "completed a full tour of duty in a joint duty assignment (as defined in section 664(f) of this title)".

(2) Section 164(a)(1)(B) of such title is amended by striking out "served in at least one joint duty assignment (as defined under section 668(b) of this title)" and inserting in lieu thereof "completed a full tour of duty in a joint duty assignment (as defined in section 664(f) of this title)".

(3) Sections 3033(a)(2)(B), 5033(a)(2)(B), 5043(a)(2)(B), and 8033(a)(2)(B) of such title are amended by striking out "joint duty assignment" and inserting in lieu thereof "full tour of duty in a joint duty assignment (as defined in section 664(f) of this title)".

(d) DESIGNATION CORRECTION.—Section 668 of such title is amended by redesignating subsection (f) as subsection (c).

TITLE VIII—ACQUISITION POLICY

SEC. 801. ONE-YEAR EXTENSION OF CONTRACT GOAL FOR SMALL DISADVANTAGED BUSINESSES.

Section 1207 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661) is amended in subsections (a) and (h) by striking out "and 1989" and inserting in lieu thereof "1989, and 1990".

SEC. 802. REPORTS ON IMPLEMENTATION OF PACKARD COMMISSION RECOMMENDATIONS CONCERNING DEFENSE ACQUISITION ORGANIZATION.

(a) GAO REPORT.—The Comptroller General of the United States shall carry out a study of the implementation by the Department of Defense of the provisions of National Security Decision Directive 219 (issued by the President on April 1, 1986) that relate to acquisition organization and procedures, such provisions having been directed by the President in order to implement the acquisition streamlining initiative recommended in 1986 by the President's Blue Ribbon Commission on Defense Management (the "Packard Commission"). The Comptroller General shall submit to Congress a report on the results of such study.

(b) DOD REPORT.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall submit to Congress a report on the implementation in the Department of Defense of the provisions of National Security Decision Directive 219 referred to in subsection (a).

(c) TIME FOR REPORTS.—The reports under subsections (a) and (b) shall each be submitted not later than 90 days after the date of the enactment of this Act.

SEC. 803. ADDITIONAL PROHIBITIONS ON PERSONS CONVICTED OF FELONIES RELATED TO DEFENSE CONTRACTS.

(a) IN GENERAL.—Section 2408(a) of title 10, United States Code, is amended to read as follows:

"(a) PROHIBITION.—(1) An individual who is convicted of fraud or any other felony arising out of a contract with the Department of Defense shall be prohibited from each of the following:

"(A) Working in a management or supervisory capacity on any defense contract.

"(B) Serving on the board of directors of any defense contractor.

"(C) Serving as a consultant to any defense contractor.

"(D) Being involved in any other way, as determined under regulations prescribed by the Secretary of Defense, with a defense contract.

"(2) Except as provided in paragraph (3), the prohibition in paragraph (1) shall last for a period, as determined by the Secretary of Defense, of not less than five years after the date of the conviction.

"(3) The prohibition in paragraph (1) may last for a period of less than five years if the Secretary determines on a case-by-case basis that the five-year period should be waived in the interests of national security. If the five-year period is waived, the Secretary shall submit to Congress a report stating the reasons for the waiver.".

(b) EFFECTIVE DATE.—Section 2408(a) of title 10, United States Code, as amended by subsection (a), shall apply with respect to individuals convicted after the date of the enactment of this Act.

SEC. 804. SOURCE FOR PROCUREMENT OF ANCHOR AND MOORING CHAIN.

(a) UNITED STATES SOURCE REQUIRED.—Section 2400 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) ANCHOR AND MOORING CHAIN.—(1) Neither the Secretary of Defense nor the Secretary of a military department may enter into a contract for the procurement of welded shipboard anchor chain and mooring chain manufactured outside the United States.

"(2) The Secretary concerned, on a case-by-case basis, may waive the restriction in paragraph (1) if the Secretary determines—

"(A) that an adequate supply of welded shipboard anchor and mooring chain of satisfactory quality manufactured in the United States is not available to meet Department of Defense requirements on a timely basis; or

"(B) that the cost of such chain would be unreasonable.

"(3) Paragraph (1) does not apply to a procurement of chain with a diameter greater than 4¼ inches.".

(b) EFFECTIVE DATE.—Subsection (d) of section 2400 of title 10, United States Code, as added by subsection (a), shall apply only with respect to contracts entered into after the date of the enactment of this Act.

SEC. 805. SOURCE FOR PROCUREMENT OF CERTAIN VALVES.

(a) UNITED STATES SOURCE REQUIRED.—Section 2400 of title 10, United States Code, as amended by section 804, is amended by adding at the end the following new subsection:

"(e) POWERED AND NON-POWERED VALVES.—(1) Funds appropriated or otherwise made available to the Department of Defense may not be used to enter into a contract for the procurement of powered and non-powered valves in Standard Industrial Classification codes 4810 and 4820 that are manufactured outside the United States.

"(2) The Secretary of Defense or the Secretary of the military department concerned may waive the restriction in paragraph (1) on a case-by-case basis if the Secretary determines that an adequate supply of valves covered by paragraph (1) of satisfactory

quality is not available in the United States to meet Department of Defense requirements on a timely basis:

"(3) For purposes of this subsection, a valve shall be considered to be manufactured in the United States if the cost of the components of such valve that are manufactured in the United States is at least 80 percent of the total cost of all the components of such valve.".

(b) EFFECTIVE DATE.—Subsection (e) of section 2400 of title 10, United States Code, as added by subsection (a), shall apply only with respect to contracts entered into 120 or more days after the date of the enactment of this Act.

SEC. 806. LIMITATION ON FOREIGN-MADE MACHINE TOOLS.

Section 8085(b) of the Department of Defense Appropriations Act, 1988 (as contained in section 101(b) of Public Law 100-202), is amended—

(1) by inserting "3405," after "numbered";

(2) by inserting "3438," after "3433,"; and

(3) by inserting "3445," after "3441-3443,".

SEC. 807. EVALUATION OF CONTRACTS FOR PROFESSIONAL SERVICES.

(a) IN GENERAL.—Section 2305(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(6) In evaluating any sealed bid or competitive proposal for a contract for the performance of professional services, the head of an agency shall evaluate the bid or the proposal as if the hourly labor rates for the professional employees carrying out the services are based on a 40-hour work week.".

(b) EFFECTIVE DATE.—Section 2305(b)(6) of title 10, United States Code, as added by subsection (a), shall apply with respect to any evaluation of a bid or proposal that takes place 120 or more days after the date of the enactment of this Act.

SEC. 808. TEXTILE AND CLOTHING CONTRACTS.

(a) LIMITATION.—Funds available for fiscal year 1989 for purchase of textiles and clothing may not be used by the Secretary of Defense to enter into a contract for textiles or clothing in an amount greater than or equal to the threshold amount determined under subsection (b) unless all responsible offerors are allowed to compete for the award of the contract.

(b) THRESHOLD AMOUNT.—The threshold amount under subsection (a) is $100,000. The Secretary of Defense may revise that amount in order to preserve the defense industrial base.

(c) EFFECTIVE DATE.—This section shall apply with respect to contracts awarded after the end of the 90-day period beginning on the date of the enactment of this Act.

SEC. 809. PROCUREMENT OF SPARE PARTS.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, as amended by section 329, is further amended by adding at the end the following new section:

"§ 2410a. Procurement of critical aircraft spare parts: quality control on second sources

"(a) In procuring any spare or repair part that is critical to the operation of an aircraft, the Secretary of Defense shall require the contractor supplying such part to provide a part—

"(1) that meets the same qualification requirements as the original part; and

"(2) that is inspected under the same quality control standards as the original part.

"(b) In this section, the term 'spare or repair part' has the meaning given such term by section 2323(f) of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2410a. Procurement of critical aircraft spare parts: quality control on second sources.".

SEC. 810. SAFEGUARDING OF MILITARY WHISTLEBLOWERS.

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

(1) In the course of their duties, members of the Armed Forces may become aware of information evidencing wrongdoing or waste of funds.

(2) It is generally the duty of members of the Armed Forces to report such information through the chain of command.

(3) In some cases the chain of command may not be responsive to reports of information evidencing wrongdoing or waste of funds, and members of the Armed Forces who become aware of such information may feel it necessary to disclose such information to an Inspector General or a Member of Congress.

(4) Members of the Armed Forces who disclose such information should be protected from adverse personnel consequences (or threats of adverse personnel consequences) as a result of such disclosures.

(5) Members of the Armed Forces who believe they have been subject to retaliation (or the threat of retaliation) as a result of such a disclosure should have the right to a speedy investigation by an Inspector General and administrative review of their cases.

(b) MILITARY WHISTLEBLOWER PROTECTION.—(1) Section 1034 of title 10, United States Code, is amended to read as follows:

"§ 1034. Communicating with a Member of Congress or Inspector General; prohibition of retaliatory personnel actions

"(a) RESTRICTING COMMUNICATIONS WITH MEMBERS OF CONGRESS AND INSPECTOR GENERAL PROHIBITED.—

"(1) No person may restrict a member of an armed force in communicating with a Member of Congress or an Inspector General (whether a civilian Inspector General appointed under the Inspector General Act of 1978 or a flag or general officer serving as the Inspector General of one of the armed forces).

"(2) Paragraph (1) does not apply to a communication that is unlawful.

"(b) PROHIBITION OF RETALIATORY PERSONNEL ACTIONS.—No person may take (or threaten to take) an unfavorable personnel action, or withhold (or threaten to withhold) a favorable personnel action, as a reprisal against a member of an armed force for making or preparing a communication to a Member of Congress or an Inspector General that (under subsection (a)) may not be restricted. Any action prohibited by the preceding sentence (including the threat to take any action and the withholding or threat to withhold any favorable action) shall be considered for the purposes of this section to be a personnel action prohibited by this subsection.

"(c) INSPECTOR GENERAL INVESTIGATION OF CERTAIN ALLEGATIONS.—

"(1) If a member of the armed forces submits to the Inspector General of the Department of Defense (or the Inspector General of the Department of Transportation, in the case of a member of the Coast Guard) an allegation that a personnel action prohibited by subsection (b) has been taken (or threatened) against the member with respect to a communication described in paragraph (2), the Inspector General shall expeditiously investigate the allegation.

"(2) A communication described in this paragraph is a communication to a Member of Congress or an Inspector General that (under subsection (a)) may not be restricted in which the member of the armed forces makes a complaint or discloses information that the member reasonably believes constitutes evidence of—

"(A) a violation of a law or regulation; or

"(B) mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

"(3) The Inspector General is not required to make an investigation under paragraph (1) in the case of an allegation made more than 60 days after the date on which the member becomes aware of the personnel action that is the subject of the allegation.

"(4) If the Inspector General has not already done so, the Inspector General shall commence a separate investigation of the information that the member believes evidences wrongdoing as described in subparagraph (A) or (B) of paragraph (2). The Inspector General is not required to make such an investigation if the information that the member believes evidences wrongdoing relates to actions which took place during combat.

"(5) Not later than 30 days after completion of an investigation under this subsection, the Inspector General shall submit a report on the results of the investigation to the Secretary of Defense and the member of the armed forces concerned. In the copy of the report submitted to the member, the Inspector General shall exclude any classified information for which the member does not have appropriate clearance.

"(6) If, in the course of an investigation of an allegation under this section, the Inspector General determines that it is not possible to submit the report required by paragraph (5) within 90 days of the date of receipt of the allegation being investigated, the Inspector General shall provide to the Secretary of Defense and to the member making the allegation a notice—

"(A) of that determination (including the reasons why the report may not be submitted within that time); and

"(B) of the time when the report will be submitted.

"(7) The report on the results of the investigation shall contain a thorough review of the facts and circumstances relevant to the allegation and the complaint or disclosure and shall include documents acquired during the course of the investigation, including summaries of interviews conducted. If a person agrees to be interviewed only on the condition that the person's identity not be disclosed, the report shall not contain any information about such interview. The report may include a recommendation as to the disposition of the complaint.

"(d) CORRECTION OF RECORDS WHEN PROHIBITED ACTION TAKEN.—

"(1) A correction board acting under section 1552 of this title, in resolving an application for the correction of records made by a member of an armed force who has alleged a personnel action prohibited by subsection (b), on the request of the member or otherwise, may review the matter.

"(2) A member filing a petition described in paragraph (1) is entitled to representation by a judge advocate appointed by the Secretary concerned in all proceedings before the correction board arising out of such petition, except that a member who chooses to be represented by outside legal

counsel chosen by the member is not entitled to such representation.

"(3) In resolving a petition described in paragraph (1), a correction board—

"(A) shall review the report of the Inspector General submitted under subsection (c)(5);

"(B) may direct the Inspector General to gather further evidence; and

"(C) may receive oral argument, examine and cross-examine witnesses, take depositions, and, if appropriate, conduct an evidentiary hearing.

"(4) If the board elects to hold an administrative hearing, a member who files a petition under paragraph (1) may examine witnesses through deposition, serve interrogatories, and request the production of evidence, including evidence contained in the investigatory record of the Inspector General but not included in the report submitted under subsection (c)(5).

"(5) The Secretary concerned shall issue a final decision with respect to an application described in paragraph (1) within 180 days after the application is filed. If the Secretary fails to issue such a final decision within that time, the member shall be deemed to have exhausted the member's administrative remedies under section 1552 of this title.

"(6) The Secretary concerned shall order such action, consistent with the limitations contained in sections 1552 and 1553 of this title, as is necessary to correct the record of a personnel action prohibited by subsection (b).

"(7) If the Board determines that a personnel action prohibited by subsection (b) has occurred, the Board may recommend to the Secretary concerned that the Secretary take appropriate disciplinary action against the individual who committed such personnel action. The Secretary concerned shall promptly commence appropriate disciplinary action (including the convening of a court-martial, if warranted, in the case of a member of the armed forces), in light of the determinations and recommendations of the Board.

"(e) REVIEW BY SECRETARY OF DEFENSE.—Upon the completion of all administrative review under subsection (d), the member of the armed forces who made the allegation referred to in subsection (c)(1), if not satisfied with the disposition of the matter, may submit the matter to the Secretary of Defense. The Secretary shall make a decision to reverse or uphold the decision of the Secretary of the military department concerned in the matter within 90 days of receipt of any such submittal.

"(f) POST-DISPOSITION INTERVIEWS.—After disposition of any case under this section, the Inspector General shall, whenever possible, conduct an interview with the person making the allegation to determine the views of that person on the disposition of the matter.

"(g) REGULATIONS.—The Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to carry out this section.

"(h) ANNUAL REPORT.—

"(1) The Inspector General of the Department of Defense (and the Inspector General of the Department of Transportation with respect to the Coast Guard) shall submit to Congress an annual report on activities of the Inspector General under this section during the preceding fiscal year. The report shall include, in the case of each case handled by the Inspector General under this section during that fiscal year, a description of—

"(A) the nature of the allegation described in subsection (c);

"(B) the evaluation and recommendation of the Inspector General with respect to the allegation;

"(C) any action of the appropriate Board for the Correction of Military Records with respect to the allegation;

"(D) if the allegation is determined to be meritorious, any corrective action taken; and

"(E) the views of the member of the armed forces making the allegation (determined on the basis of the interview under subsection (e)) on the disposition of the case.

"(2) The Inspector General shall include with each report under this subsection copies of the individual case reports for each such allegation.

"(3) The reports under this subsection shall be submitted not later than February 1 of each year.

"(i) MEMBER OF CONGRESS DEFINED.—In this section, the term 'Member of Congress' includes any Delegate or Resident Commissioner to the Congress.".

(2) The item relating to such section in the table of sections at the beginning of chapter 53 of such title is amended to read as follows:

"1034. Communicating with a Member of Congress or Inspector General; prohibition of retaliatory personnel actions.".

(c) DEADLINE FOR REGULATIONS.—The Secretary of Defense and the Secretary of Transportation shall prescribe the regulations required by subsection (g) of section 1034 of title 10, United States Code, as added by subsection (b), not later than 180 days after the date of the enactment of this Act.

(d) REPORT ON FURTHER IMPROVEMENTS.—The Comptroller General shall submit to Congress a report making recommendations for improvements in procedures and potential remedies for responding to allegations by members of the Armed Forces described in section 1034(c)(1) of title 10, United States Code, as amended by subsection (b) (in addition to the improvements made by that section, as so amended). The report shall consider how such improvements may be made in procedures available through the chain of command, the Inspector General, and Boards for Correction of Military Records and shall include such recommendations for further administrative and legislative action as the Comptroller General considers appropriate. The report under this subsection shall be submitted not later than February 1, 1989.

(e) EFFECTIVE DATE.—The amendment to section 1034 of title 10, United States Code, made by subsection (b)(1), shall apply with respect to any personnel action taken (or threatened to be taken on or after the date of the enactment of this Act as a reprisal prohibited by subsection (b) of the that section.

SEC. 811. ADDITIONAL AUTHORITY OF BASE COMMANDERS OVER CONTRACTING FOR COMMERCIAL ACTIVITIES.

Section 1111 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1146) is amended by adding at the end the following subsection:

"(e) ADDITIONAL AUTHORITY.—(1) As part of the authority granted the commander of a military installation under subsection (a), the Secretary of Defense shall ensure that, in any case in which the commander has reasonable cause to believe that a contractor performing a commercial activity at that installation is violating a Federal law in the performance of the contract, the commander has the authority to—

"(A) decline to exercise an option under the contract to extend the contract; and

"(B) using procedures which exclude that contractor from consideration, award a new contract for performance of the commercial activity.

"(2) Before declining to exercise an option to extend a contract under paragraph (1), the commander shall—

"(A) notify the contractor of the commander's belief that the contractor is violating a Federal law and request the contractor to comply with the law; and

"(B) give the contractor an appropriate opportunity to comply.".

TITLE IX—GENERAL PROVISIONS

PART A—FINANCIAL MATTERS

SEC. 901. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in title I, II, or III for any fiscal year between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations for any fiscal year that the Secretary of Defense may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

PART B—FISCAL YEAR 1988 UNAUTHORIZED APPROPRIATIONS

SEC. 911. AUTHORITY FOR OBLIGATION OF CERTAIN UNAUTHORIZED FISCAL YEAR 1988 DEFENSE APPROPRIATIONS.

(a) AUTHORITY.—The amounts described in subsection (b), totaling $10,624,600,000, may be obligated and expended for programs, projects, and activities of the Department of Defense in accordance with fiscal year 1988 defense appropriations except as otherwise provided in section 912.

(b) COVERED AMOUNTS.—The amounts referred to in subsection (a) are the amounts provided for programs, projects, and activities of the Department of Defense in fiscal year 1988 defense appropriations that are in excess of the amounts provided for such programs, projects, and activities in fiscal year 1988 defense authorizations.

(c) DEFINITIONS.—For the purposes of this part:

(1) FISCAL YEAR 1988 DEFENSE APPROPRIATIONS.—The term "fiscal year 1988 defense appropriations" means amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1988 in the Department of Defense Appropriations Act, 1988 (as contained in section 101(b) of Public Law 100-202).

(2) FISCAL YEAR 1988 DEFENSE AUTHORIZATIONS.—The term "fiscal year 1988 defense authorizations" means amounts authorized to be appropriated for the Department of Defense for fiscal year 1988 in the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180).

SEC. 912. LIMITATION ON OBLIGATION FOR CERTAIN UNAUTHORIZED APPROPRIATIONS.

(a) PROGRAMS NOT AVAILABLE FOR OBLIGATION.—Amounts described in section 911(b) may not be obligated or expended for the following programs, projects, and activities of the Department of Defense (for which amounts were provided in fiscal year 1988 defense appropriations):

(1) Satellite Systems Survivability program under research, development, test, and evaluation for the Air Force in the amount of $5,300,000.

(2) Maxicube Cargo System under research, development, test, and evaluation for the Army in the amount of $10,000,000.

(3) Coastal Defense Augmentation in the amount of $20,000,000.

(4) Defense Meteorological Satellite program under research, development, test, and evaluation for the Navy in the amount of $40,000,000.

(5) P-3C aircraft under procurement of National Guard and Reserve Equipment in the amount of $193,800,000.

(b) LIMITATION ON CERTAIN PROGRAMS.—

(1) FORWARD AREA AIR DEFENSE HEAVY SYSTEM.—(A) Funds appropriated or otherwise made available for the Army for procurement may not be obligated or expended for the procurement of any air defense system submitted to the Army for evaluation in response to any Army request for proposal for the Forward Area Air Defense Line-of-Sight Forward-Heavy (LOS-F-H) system unless the Secretary of Defense certifies to Congress that the system has met or exceeded full system requirements.

(B) For purposes of this paragraph, the term "full system requirements" means the most stringent system requirements specified by any request for proposal for accuracy, range (detection, tracking, and engagement), reaction time, and operation in the presence of electronic countermeasures.

(C) The Secretary of the Army may not obligate funds for advance procurement of the system referred to in subparagraph (A) until—

(i) the operational tests of the system are completed and the Secretary of Defense reports to the Committees on Armed Services of the Senate and the House of Representatives on the results of such testing and the evaluation of such testing;

(ii) the Secretary of Defense certifies to those committees that the system satisfactorily demonstrates that it meets or exceeds all of the operational performance criteria established for the system;

(iii) the Director of Operational Test and Evaluation of the Department of Defense submits to the Secretary of Defense and those committees a report giving the Director's evaluation of the results of such testing and evaluation; and

(iv) the Comptroller General submits a report to those committees giving his assessment of the operational tests and the system performance.

(2) A-6 AIRCRAFT CONFIGURATION.—None of the funds appropriated for the procurement of aircraft for the Navy for fiscal year 1988 or 1989 may be obligated or expended for procurement of any A-6 aircraft configured in the F model configuration (as described in connection with the A-6E/A-6F aircraft program in the Selected Acquisition report submitted to Congress for the quarter ending December 31, 1986).

(3) TANK PROCUREMENT.—Funds appropriated for procurement of weapons and tracked combat vehicles for the Army for modification of M60 tanks in the amount of $90,000,000 may be used only for procurement or modification of M1 tanks.

(c) PROGRAM LIMITATIONS.—All limitations and requirements set forth in the Department of Defense Authorization Act, 1988, shall apply to the obligation of funds authorized by section 911(a) in the same manner as if the funds made available for obligation by such section had been authorized in that Act.

(d) TRANSFER AUTHORITY.—For the purposes of section 1201 of the Department of Defense Authorization Act, 1988, authorizations in section 911(a) shall be deemed to have been made available to the Department of Defense in such Act.

SEC. 913. REPEAL OF CERTAIN GENERAL PROVISIONS.

Sections 8040, 8098, and 8122 of the Department of Defense Appropriations Act, 1988 (as contained in section 101(b) of Public Law 100-202), are repealed.

PART C—NAVAL VESSEL REPAIRS

SEC. 921. RATE OF PROGRESS PAYMENTS ON NAVAL SHIP REPAIR CONTRACTS.

Section 7312(a) of title 10, United States Code, is amended by inserting "not less than" after "shall be".

SEC. 922. LIMITATION ON REPAIR OF NAVAL VESSELS IN FOREIGN SHIPYARDS.

(a) IN GENERAL.—Section 7309 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c)(1) A naval vessel (or any other vessel under the jurisdiction of the Secretary of the Navy) the homeport of which is in the United States may not be overhauled, repaired, or maintained in a shipyard outside of the United States.

"(2) Paragraph (1) does not apply in the case of voyage repairs.".

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 7309. Restriction on construction or repair of vessels in foreign shipyards".

(2) The item relating to such section in the table of sections at the beginning of chapter 633 of such title is amended to read as follows:

"7309. Restriction on construction or repair of vessels in foreign shipyards.".

(c) EFFECTIVE DATE.—Subsection (c) of section 7309 of title 10, United States Code, as added by subsection (a), shall apply with respect to any contract for ship overhaul, repair, or maintenance work that is entered into after the end of the 30-day period beginning on the date of the enactment of this Act.

SEC. 923. DEPOT-LEVEL MAINTENANCE OF SHIPS.

(a) IN GENERAL.—The Secretary of the Navy shall require that, to the extent feasible, not less than one-half of the depot-level maintenance work described in subsection (b) (measured in cost) shall be carried out in the United States.

(b) WORK COVERED.—Depot-level maintenance work referred to in subsection (a) is depot-level maintenance work for naval vessels that is scheduled as of October 1, 1988, to be carried out in Japan during fiscal years 1989, 1990, and 1991.

PART D—MISCELLANEOUS

SEC. 931. CHEMICAL DEMILITARIZATION PROGRAM.

(a) EXTENSION OF DEADLINE FOR COMPLETION OF PROGRAM.—Subsection (b) of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1512(b)) is amended—

(1) by striking out "September 30, 1994" in paragraphs (1) and (3)(A) and inserting in lieu thereof "the stockpile elimination deadline";

(2) in paragraph (3)(B), by striking out "within 30 days" and all that follows in that paragraph and inserting in lieu thereof "not later than the earlier of (A) 30 days after the date on which the decision to defer is made, or (B) 30 days before the stockpile elimination deadline."; and

(3) by adding at the end the following new paragraphs:

"(4) For purposes of this section, the term 'stockpile elimination deadline' means April 30, 1997.

"(5) If the Secretary determines at any time that there will be a delay in meeting the stockpile elimination deadline, the Secretary shall immediately notify the Committees on Armed Services of the Senate and House of Representatives of that projected delay.".

(b) REQUIREMENT FOR SUCCESSFUL COMPLETION OF OPERATIONAL VERIFICATION.—Such section is further amended by striking out subsection (k) and inserting in lieu thereof the following:

"(k) OPERATIONAL VERIFICATION.—(1) Until the Secretary of the Army successfully completes (through the prove out work to be conducted at Johnston Atoll) operational verification of the technology to be used for the destruction of live chemical agents and munitions under this section, the Secretary may not conduct any activity for equipment prove out and systems test preceding the introduction of live chemical agents at a facility (other than the Johnston Atoll facility) at which the destruction of chemical agent and munitions weapons is to take place under this section.

"(2) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report upon the successful completion of the prove out of the equipment and facility at Johnston Atoll certifying that the prove out is completed.

"(3) If the Secretary determines at any time that there will be a delay in meeting the date of December 31, 1990, scheduled by the Department of Defense for completion of the operational verification at Johnston Atoll, the Secretary shall immediately notify the Committees of that projected delay.".

SEC. 932. MAINTENANCE OF SELECTED RESERVE FORCE STRUCTURE.

The Secretaries of the military departments may not reduce the number of major elements in the force structure of the Selected Reserve of the reserve components under their respective jurisdictions (including the inventory of major equipment items) as that force structure existed at the end of fiscal year 1988. The preceding sentence shall not prohibit a reduction of the number of major elements in the force structure of the Selected Reserve of any reserve component incident to a conversion from one mission to another that may involve a reduction in the number of major equipment items of an element.

SEC. 933. REPORT ON STATUS OF POMCUS.

No later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress an unclassi-

fied report (with classified annexes as necessary) concerning the progress towards completion of the POMCUS program of the Department of Defense providing for the prepositioning in Europe of materiel configured in unit sets. The report shall include—

(1) a statement of the shortfall in equipment prepositioned in Europe under the plan (stated in tonnage and in procurement costs) that has occurred each year since the beginning of the POMCUS program;

(2) any specific plans of the Department of Defense (given in tonnage and in procurement costs) and any timetable for reduction the current shortfalls in the POMCUS program; and

(3) the effect that any current shortfall and any planned reductions described under paragraph (2) would have on the number of days required from the time of a decision of the United States to deploy a force of 10 divisions to Western Europe to the time such force could be so deployed.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act, 1989".

TITLE I—ARMY

SEC. 2101. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALABAMA
Anniston Army Depot, $6,000,000.
Fort McClellan, $7,900,000.
Redstone Arsenal, $14,800,000.
Fort Rucker, $2,110,000.

ALASKA
Fort Wainwright, $29,740,000.
Fort Richardson, $6,250,000.

ARIZONA
Fort Huachuca, $1,200,000.

ARKANSAS
Pine Bluff Arsenal, $3,050,000.

CALIFORNIA
Fort Ord, $14,650,000.
Sierra Army Depot, $380,000.

COLORADO
Pueblo Depot, $3,200,000.

DISTRICT OF COLUMBIA
Walter Reed Army Medical Center, $1,600,000.

GEORGIA
Fort Benning, $24,350,000.

HAWAII
Fort Shafter, $7,200,000.

ILLINOIS
Rock Island Arsenal, $980,000.
Savanna Army Depot, $2,270,000.
Fort Sheridan, $880,000.

KENTUCKY
Fort Campbell, $20,500,000.
Lexington-Bluegrass Depot, $770,000.

MARYLAND
Aberdeen Proving Ground, $17,000,000.
Fort Detrick, $6,500,000.
Fort Ritchie, $9,100,000.

NEW JERSEY
Fort Dix, $6,200,000.

NEW YORK
United States Military Academy, West Point, $11,150,000.

NORTH CAROLINA
Fort Bragg, $36,602,000.

OKLAHOMA
Fort Sill, $3,700,000.

OREGON
Umatilla Army Depot, $3,600,000.

PENNSYLVANIA
Letterkenny Army Depot, $1,900,000.

TEXAS
Fort Bliss, $10,900,000.
Corpus Christi Army Depot, $7,400,000.
Fort Hood, $15,900,000.
Red River Army Depot, $88,400,000.
Fort Sam Houston, $3,250,000.

UTAH
Dugway Proving Ground, $12,800,000.
Tooele Army Depot, $92,300,000.

VIRGINIA
Fort A.P. Hill, $5,900,000.
Fort Eustis, $5,000,000.
Fort Lee, $4,800,000.
Fort Pickett, $4,000,000.
Vint Hill Farms Station, $800,000.

WASHINGTON
Fort Lewis, $19,800,000.

WISCONSIN
Fort McCoy, $2,100,000.

VARIOUS LOCATIONS
Classified Locations, $3,600,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

GERMANY
Ansbach, $15,000,000.
Friedberg, $1,300,000.
Giessen, $6,300,000.
Grafenwoehr Training Area, $7,000,000.
Hohenfels Training Area, $36,960,000.
Karlsruhe, $2,550,000.
Mainz, $19,550,000.
Mannheim, $14,400,000.
Rheinberg, $12,400,000.
Schweinfurt, $9,700,000.
Stuttgart, $3,350,000.
Vilseck, $44,600,000.
Wiesbaden, $13,900,000.
Worms, $1,300,000.
Wuerzburg, $33,650,000.
Various Locations, $18,000,000.

HONDURAS
SITE 5, $3,050,000.

ITALY
Various Locations, $1,250,000.

JAPAN
Various Locations, $7,900,000.
Various Locations, $5,300,000.

KOREA
Camp Casey, $3,700,000.
Camp Gary Owen, $1,150,000.
Camp Greaves, $1,540,000.
Camp Hovey, $3,200,000.
Camp Kittyhawk, $1,350,000.
Camp Libby, $1,150,000.
Camp Page, $670,000.
Camp Sears, $1,100,000.
Camp Stanley, $1,200,000.
Camp Stanton, $1,400,000.
K-16 Army Airfield, $670,000.
Taegu, $990,000.
Yongsan, $1,400,000.
Various Locations, $6,200,000.
Various Locations, $9,200,000.

KWAJALEIN
Kwajalein, $15,490,000.

VARIOUS LOCATIONS
Various Locations, $9,750,000.

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(6)(A), construct or acquire family housing units (including land acquisition) at the following installations in the number of units shown, and in the amount shown, for each installation:

Fort Wainwright, Alaska, one hundred and fifty units, $27,000,000.

Fort Irwin, California, two hundred and sixty-three units, $24,000,000.

Helemano, Hawaii, one hundred units, $11,400,000.

Schofield Barracks, Hawaii, forty units, $4,450,000.

Fort Leavenworth, Kansas, two hundred and seventy-two units, $20,000,000.

Fort Drum, New York, one hundred units, $10,000,000.

Fort Bliss, Texas, one hundred and eight units, $9,100,000.

Augsburg, Germany, thirty-four units, as described in section 2103(b).

Hohenfels, Germany, eighty-eight units, $8,400,000.

(b) PLANNING AND DESIGN.—The Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(6)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $10,628,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

(a) IN GENERAL.—Subject to section 2825 of title 10, United States Code, the Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(6)(A), improve existing military family housing units in an amount not to exceed $72,300,000.

(b) WAIVER OF MAXIMUM PER COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Army may carry out projects to improve existing military family housing units at the following installations in the number of units shown, and in the amount shown for each installation:

Pearl Harbor, Hawaii, eight units, $550,000.

Augsburg, Germany, convert unused attic space and upgrade fourteen units into forty-eight adequate units, as authorized in section 2102(a), $3,360,000.

Taegu, Korea, ninety-six units, $4,450,000.

SEC. 2104. DEFENSE ACCESS ROADS.

The Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(4), make advances to the Secretary of Transportation for the construction of defense access roads under section 210 of title 23, United States Code, at Fort Belvoir, Virginia, in the amount of $1,000,000.

SEC. 2105. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,415,051,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $442,532,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $317,620,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,200,000.

(4) For advances to the Secretary of Transportation for construction of defense access

roads under section 210 of title 23, United States Code, $1,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $98,328,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing facilities, $197,278,000.

(B) for support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,340,093,000, of which not more than $52,190,000 may be obligated or expended for the leasing of military family housing in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $175,510,000 may be obligated or expended for the leasing of military family housing units in foreign countries; and

(C) for the Homeowners Assistance Program as authorized by section 2832 of title 10, United States Code, $2,000,000, to remain in effect until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $78,000,000 (the balance of the amount authorized for the construction of the Central Distribution Center, Red River Army Depot, Texas).

SEC. 2106. EXTENSION OF CERTAIN PRIOR YEAR AUTHORIZATIONS.

(a) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1985 PROJECTS.—Notwithstanding the provisions of section 607(a) of the Military Construction Authorization Act, 1985 (Public Law 98-407, 98 Stat. 1515), authorizations for the following projects authorized in section 101 of that Act, as extended by section 2107(a) of the National Defense Authorization Act, 1987 (Public Law 99-661) and section 2105(a) of the National Defense Authorization Act, 1988 (Public Law 100-180) shall remain in effect until October 1, 1989, or the date of enactment of the Military Construction Act for fiscal year 1990, whichever is later:

(1) Barracks modernization in the amount of $660,000 at Argyroupolis, Greece.

(2) Barracks modernization in the amount of $660,000 at Perivolaki, Greece.

(b) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1986 PROJECTS.—Notwithstanding the provisions of section 603(a) of the Military Construction Authorization Act, 1986 (Public Law 99-167), authorizations for the following projects authorized in sections 101 and 102 of that Act as extended by section 2105(b) of the National Defense Authorization Act, 1988 and 1989 (Public Law 99-180), shall remain in effect until October 1, 1989, or the date of enactment of a Military Construction Authorization Act for fiscal year 1990, whichever is later:

(1) Child care center in the amount of $470,000 at Karlsruhe, Germany.

(2) Modified record fire range in the amount of $2,850,000 at Nuernberg, Germany.

(3) Flight simulator building in the amount of $2,900,000 at Wiesbaden, Germany.

(4) Multi-purpose training ranges in the amount of $20,000,000 at Wildflecken, Germany.

(5) Air conditioning upgrade in the amount of $5,900,000 at Schofield Barracks, Hawaii.

(6) Child care center in the amount of $1,350,000 at Camp Darby, Italy.

(7) Dining facility modernization in the amount of $4,350,000 at Fort Leavenworth, Kansas.

(8) Family housing, new construction, 6 units, in the amount of $596,000 at Fort Myer, Virginia.

(c) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1987 PROJECTS.—Notwithstanding the provisions of section 2701(a) of the Military Construction Authorization Act, 1987, (Public Law 99-661), authorizations for the following projects authorized in sections 2101, 2102, and 2103 of that Act shall remain in effect until October 1, 1989, or the date of the enactment of a Military Construction Authorization Act for fiscal year 1990, whichever is later:

(1) Child development center/religious education facility in the amount of $820,000 at Yuma Proving Ground, Arizona.

(2) Primary water supply connection in the amount of $2,150,000 at Fort Riley, Kansas.

(3) Material test facility in the amount of $9,700,000,000 at Dugway Proving Ground, Utah.

(4) Barracks modernization in the amount of $3,700,000 at foreign various location 276.

(5) Dining facility in the amount of $2,100,000 at Giessen, Germany.

(6) Aircraft maintenance hangar in the amount of $7,100,000 at Hanau, Germany.

(7) Contingency facility in the amount of $4,300,000 at Palmerola Air Base, Honduras.

(8) Seventy manufactured home spaces in the amount of $1,100,000 at Aberdeen Proving Ground, Maryland.

TITLE II—NAVY

SEC. 2201. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALABAMA

Naval Station, Mobile, $19,745,000.

ALASKA

David Taylor Research Center Detachment, Ketchikan, $12,000,000.

ARIZONA

Marine Corps Air Station, Yuma, $11,770,000.

CALIFORNIA

Marine Corps Air-Ground Combat Center, Twentynine Palms, $26,630,000.

Marine Corps Air Station, Camp Pendleton, $9,450,000.

Marine Corps Air Station, El Toro, $3,970,000.

Marine Corps Air Station, Tustin, $10,990,000.

Marine Corps Base, Camp Pendleton, $64,460,000.

Marine Corps Logistics Base, Barstow, $1,190,000.

Mountain Warfare Training Center, Bridgeport, $3,200,000.

Naval Air Station, Moffett Field, $650,000.

Naval Air Station, North Island, $11,860,000.

Naval Amphibious Base, Coronado, $870,000.

Naval Amphibious School, San Diego, $10,100,000.

Naval Aviation Depot, Alameda, $8,290,000.

Naval Aviation Depot, North Island, $2,110,000.

Naval Construction Battalion Center, Port Hueneme, $7,000,000.

Naval Construction Training Center, Port Hueneme, $10,080,000.

Naval Hospital, Lemoore, $2,160,000.

Naval Ocean Systems Center, San Diego, $8,660,000.

Naval Post Graduate School, Monterey, $3,140,000.

Naval Civil Engineer Corps Officers School, Port Hueneme, $7,420,000.

Naval Security Group Detachment, San Diego, $1,950,000.

Naval Shipyard, Mare Island, $8,850,000.

Naval Space Surveillance Field Station, San Diego, $3,760,000.

Naval Station, Treasure Island, San Francisco, $5,000,000.

Naval Submarine Base, San Diego, $3,150,000.

Naval Supply Center, Oakland, $1,550,000.

Naval Supply Center, San Diego Annex, North Island, $1,695,000.

Naval Training Center, San Diego, $7,980,000.

Naval Weapons Center, China Lake, $12,260,000.

Naval Weapons Station, Seal Beach, $13,890,000.

Navy Public Works Center, San Diego, $500,000.

Navy Public Works Center, San Francisco, $15,810,000.

Pacific Missile Test Center, Point Mugu, $20,470,000.

Personnel Support Activity, San Diego, $1,180,000.

Shore Intermediate Maintenance Activity, San Diego, $10,720,000.

Submarine Training Facility, San Diego, $10,301,000.

CONNECTICUT

Naval Security Group Activity, Groton, $1,170,000.

Naval Submarine Base, New London, $6,660,000.

DISTRICT OF COLUMBIA

Commandant, Naval District Washington, $38,100,000.

Naval Research Laboratory, Washington, $19,800,000.

FLORIDA

Naval Air Station, Cecil Field, $340,000.

Naval Air Station, Jacksonville, $8,810,000.

Naval Air Station, Key West, $850,000.

Naval Air Station, Pensacola, $25,600,000.

Naval Aviation Depot, Jacksonville, $14,180,000.

Naval Hospital, Pensacola, $2,250,000.

Naval Legal Service Office, Mayport, $1,450,000.

Naval Station, Mayport, $3,060,000.

Naval Supply Center, Pensacola, $2,640,000.

Naval Technical Training Center, Pensacola, $2,840,000.

Naval Training Center, Orlando, $23,810,000.

GEORGIA

Marine Corps Logistics Base, Albany, $5,740,000.

Naval Submarine Base, Kings Bay, $56,330,000.

HAWAII

Marine Corps Air Station, Kaneohe Bay, $24,270,000.

Naval Legal Service Office, Pearl Harbor, $2,380,000.
Naval Station, Pearl Harbor, $8,370,000.
Naval Submarine Base, Pearl Harbor, $11,250,000.
Naval Submarine Training Center, Pacific, Pearl Harbor, $1,780,000.
Naval Supply Center, Pearl Harbor, $8,350,000.
Navy Public Works Center, Pearl Harbor, $3,760,000.

ILLINOIS

Naval Training Center, Great Lakes, $3,440,000.
Naval Public Works Center, Great Lakes, $1,930,000.

KENTUCKY

Naval Ordnance Station, Louisville, $19,000,000.

LOUISIANA

Naval Station, Lake Charles, $3,700,000.

MAINE

Naval Air Station, Brunswick, $530,000.

MARYLAND

David Taylor Naval Ship Research Development Center, Annapolis, $1,860,000.
Naval Academy, Annapolis, $540,000.
Naval Air Test Center, Patuxent River, $1,250,000.
Naval Explosive Ordnance Disposal Technology Center, Indian Head, $7,380,000.
Naval Intelligence Command Headquarters, Suitland, $114,000,000.
Naval Medical Data Services Center, Bethesda, $5,930,000.
Naval Ordnance Station, Indian Head, $1,270,000.
Naval Surface Warfare Center Detachment, White Oak, $2,540,000.

MISSISSIPPI

Naval Air Station, Meridian, $3,100,000.
Naval Construction Training Center, Gulfport, $4,070,000.
Naval Station, Pascagoula, $17,520,000.

NEVADA

Naval Air Station, Fallon, $9,470,000.

NEW JERSEY

Naval Weapons Station, Earle, $30,400,000.

NEW MEXICO

Naval Ordnance Missile Test Station, White Sands, $8,090,000.

NEW YORK

Naval Station, New York, $23,395,000.

NORTH CAROLINA

Marine Corps Air Station, Cherry Point, $32,380,000.
Marine Corps Air Station, New River, $8,400,000.
Marine Corps Base, Camp Lejeune, $23,450,000.

OKLAHOMA

Naval Air Detachment, Tinker Air Force Base, $38,080,000.

PENNSYLVANIA

Naval Air Development Center, Warminster, $1,270,000.
Naval Shipyard, Philadelphia, $10,300,000.
Navy Aviation Supply Office, Philadelphia, $1,400,000.
Navy Ships Parts Control Center, Mechanicsburg, $2,050,000.

RHODE ISLAND

Naval Education and Training Center, Newport, $11,560,000.
Naval Justice School, Newport, $2,060,000.
Surface Warfare Officers School Command, Newport, $4,750,000.

SOUTH CAROLINA

Naval Hospital, Beaufort, $2,260,000.
Naval Shipyard, Charleston, $640,000.
Naval Supply Center, Charleston, $1,090,000.
Naval Weapons Station, Charleston, $22,250,000.

TEXAS

Naval Station, Galveston, $8,110,000.
Naval Station, Ingleside, $31,850,000.

VIRGINIA

Atlantic Fleet Headquarters Support Activity, Norfolk, $1,700,000.
Fleet Combat Training Center, Atlantic, Dam Neck, $4,700,000.
Marine Corps Combat Development Command, Quantico, $14,290,000.
Marine Corps Detachment, Camp Elmore, $1,690,000.
Marine Environmental Systems Facility, Dam Neck, $5,000,000.
Naval Air Station, Oceana, $2,690,000.
Naval Amphibious Base, Little Creek, $8,270,000.
Naval Amphibious School, Little Creek, $640,000.
Naval Aviation Depot, Norfolk, $8,950,000.
Naval Guided Missiles School, Dam Neck, $4,450,000.
Naval Legal Service Office, Norfolk, $1,080,000.
Naval Medical Clinic, Norfolk, $2,470,000.
Naval Ophthalmic Support and Training Activity, Yorktown, $1,970,000.
Naval Security Group Activity, Northwest, Chesapeake, $5,400,000.
Naval Supply Center, Norfolk, $6,660,000.
Naval Supply Center, Williamsburg, $3,300,000.
Naval Surface Warfare Center, Dahlgren, $25,442,000.
Naval Weapons Station, Yorktown, $12,360,000.
Navy Public Works Center, Norfolk, $4,410,000.

WASHINGTON

Naval Air Station, Whidbey Island, $11,010,000.
Naval Station, Everett, $38,400,000.
Naval Supply Center, Bremerton, $5,740,000.
Strategic Weapons Facility, Pacific, Silverdale, $15,060,000.
Trident Refit Facility, Bangor, $990,000.

VARIOUS LOCATIONS

Land Acquisition, $36,895,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

ANTIGUA

Naval Support Facility, $6,470,000.

GUAM

Fleet Surveillance Support Group, $20,972,000.
Naval Security Group Detachment, $400,000.
Naval Station, $2,820,000.
Naval Supply Depot, $7,660,000.
Navy Public Works Center, $6,720,000.

ICELAND

Naval Air Station, Keflavik, $12,000,000.

ITALY

Naval Air Station, Sigonella, $7,950,000.
Naval Support Activity, Naples, $51,350,000.

JAPAN

Marine Corps Air Station, Futenma, Okinawa, $3,280,000.
Marine Corps Base, Camp Butler, Okinawa, $2,840,000.

PHILIPPINES

Navy Public Works Center, Subic Bay, $28,340,000.

SPAIN

Naval Communication Station, Rota, $400,000.

VARIOUS LOCATIONS

Classified Location, $4,990,000.
Host Nation Infrastructure Support, $500,000.

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(6)(A), construct or acquire family housing units (including land acquisition), at the following installations in the number of units shown, and in the amount shown for each installation:

Marine Corps Air-Ground Combat Center, Twentynine Palms, California, one hundred units, $9,470,000.
Marine Corps Air Station, El Toro, California, one hundred units and sixty mobile home spaces, $10,120,000.
Marine Corps Base, Camp Pendleton, California, three hundred and thirty-two units and access roads, $28,510,000.
Naval Station, Long Beach, California, three hundred units, $26,110,000.
Naval Public Works Center, San Diego, California, three hundred and fifty-six units, $31,830,000.
Navy Public Works Center, San Francisco, California, three hundred units, $35,736,000.
Naval Submarine Base, Kings Bay, Georgia, two hundred and fifty units, $19,860,000.
Naval Station, New York, New York, one hundred and fifty units, $14,900,000.

(b) PLANNING AND DESIGN.—The Secretary of the Navy may carry out architectural and engineering services and construction design activities, using amounts appropriated pursuant to section 2205(a)(6)(A), with respect to the construction or improvement of military family housing units in an amount not to exceed $2,315,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

(a) IN GENERAL.—Subject to section 2825 of title 10, United States Code, the Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(6)(A), improve existing military family housing units in an amount not to exceed $61,589,000.

(b) WAIVER OF MAXIMUM PER UNIT COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Navy may carry out projects to improve existing military family housing units at the following installations in the number of units shown and in the amount shown for each installation:

Navy Public Works Center, San Diego, California, six units, $284,400.
Navy Public Works Center, Pensacola, Florida, one unit, $34,900.
Navy Public Works Center, Great Lakes, Illinois, three hundred and fifty-six units, $17,214,000.
Navy Public Works Center, Great Lakes, Illinois, one hundred and two units, $6,181,200.
Naval Security Group Activity, Winter Harbor, Maine, thirty units, $2,920,600.
Naval Security Group Activity, Winter Harbor, Maine, twenty units, $920,000.
Naval Air Station, Fallon, Nevada, one hundred and six units, $8,129,300.
Marine Corps Air Station, Cherry Point, North Carolina, two units, $94,300.

Marine Corps Air Station, Cherry Point, North Carolina, two hundred and eighty-two units, $11,957,200.

Navy Ships Parts Control Center, Mechanicsburg, Pennsylvania, seventy-five units, $5,415,500.

Naval Air Station, Whidbey Island, Washington, eleven units, $632,600.

Navy Public Works Center, Guam, two hundred and twelve units, $18,473,800.

SEC. 2204. DEFENSE ACCESS ROADS.

The Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(5), make advances to the Secretary of Transportation for the construction of defense access roads under section 210 of title 23, United States Code, at the following locations and in the following amounts:

Marine Corps Air Ground Center, Twentynine Palms, California, $2,900,000.

Navy Public Works Center, San Diego, California, $719,000.

Navy Public Works Center, San Francisco, California, $800,000.

Naval Station, Everett, Washington, $4,400,000.

Naval Submarine Base, Kings Bay, Georgia, $3,000,000.

SEC. 2205. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,330,350,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $1,258,435,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $110,092,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,300,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $138,276,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $11,819,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $240,440,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $554,988,000 of which not more than $18,434,000 may be obligated or expended for the leasing of military family housing in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $23,982,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $55,048,000 (the balance of the amount authorized for the construction of the Headquarters Building, Naval Intelligence Command Headquarters, Suitland, Maryland); and,

(3) $46,600,000 (the balance of the amount authorized for the Command, Control, Communications and Intelligence Complex, Naval Support Activity, Naples, Italy).

(c) RESTRICTION ON CERTAIN FUNDING.—None of the funds appropriated pursuant to subsection (a)(1) may be obligated for use or expended at Hunters Point Annex, Naval Station, Treasure Island, San Francisco, California, until the Secretary of the Navy has transmitted to the Committees on Armed Services of the Senate and the House of Representatives a report containing (1) a description of the activities planned by the Department of the Navy at such location during fiscal years 1989 through 1993, and (2) a statement explaining the environmental impact of such activities, especially with respect to the planned porting of ships and the development of the land at such location during such fiscal years.

TITLE III—AIR FORCE

SEC. 2301. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the installations and locations inside the United States:

ALABAMA

Gunter Air Force Base, $8,150,000.
Maxwell Air Force Base, $17,800,000.

ALASKA

Eielson Air Force Base, $7,650,000.
Elmendorf Air Force Base, $3,040,000.
King Salmon Airport, $2,850,000.
Shemya Air Force Base, $14,860,000.

ARIZONA

Davis-Monthan Air Force Base, $980,000.
Luke Air Force Base, $4,550,000.
Williams Air Force Base, $11,130,000.

ARKANSAS

Blytheville Air Force Base, $3,750,000.
Little Rock Air Force Base, $4,550,000.

CALIFORNIA

Beale Air Force Base, $8,900,000.
Castle Air Force Base, $20,400,000.
Edwards Air Force Base, $5,200,000.
George Air Force Base, $23,550,000.
March Air Force Base, $4,900,000.
Mather Air Force Base, $2,740,000.
McClellan Air Force Base, $3,080,000.
Onizuka Air Force Base, $4,300,000.
Travis Air Force Base, $10,400,000.
Vandenberg Air Force Base, $33,550,000.

COLORADO

Buckley Air National Guard Base, $25,800,000.
Cheyenne Mountain Complex, $6,500,000.
Lowry Air Force Base, $12,000,000.
Peterson Air Force Base, $9,500,000.
United States Air Force Academy, $10,240,000.

DELAWARE

Dover Air Force Base, $1,000,000.

FLORIDA

Avon Park, $3,700,000.
Cape Canaveral Air Force Station, $19,380,000.
Eglin Air Force Base, $11,020,000.
Eglin Air Force Base, Auxiliary Field 9, $27,400,000.
Homestead Air Force Base, $6,200,000.
MacDill Air Force Base, $4,580,000.
Patrick Air Force Base, $1,126,000.
Tyndall Air Force Base, $6,000,000.

GEORGIA

Moody Air Force Base, $800,000.
Robins Air Force Base, $31,500,000.

HAWAII

Hickam Air Force Base, $4,250,000.

IDAHO

Mountain Home Air Force Base, $1,400,000.

ILLINOIS

Chanute Air Force Base, $6,500,000.
Scott Air Force Base, $14,500,000.

INDIANA

Grissom Air Force Base, $1,850,000.

KANSAS

McConnell Air Force Base, $680,000.

LOUISIANA

Barksdale Air Force Base, $7,300,000.
England Air Force Base, $3,100,000.

MAINE

Loring Air Force Base, $3,000,000.

MARYLAND

Andrews Air Force Base, $2,550,000.

MASSACHUSETTS

Hanscom Air Force Base, $12,400,000.

MICHIGAN

Wurtsmith Air Force Base, $4,990,000.

MISSISSIPPI

Columbus Air Force Base, $2,950,000.
Keesler Air Force Base, $4,550,000.

MISSOURI

Whiteman Air Force Base, $84,300,000.

MONTANA

Malmstrom Air Force Base, $19,470,000.

NEBRASKA

Offutt Air Force Base, $2,450,000.

NEVADA

Indian Springs, $3,150,000.
Nellis Air Force Base, $6,700,000.

NEW HAMPSHIRE

New Boston Air Force Station, $4,500,000.
Pease Air Force Base, $2,100,000.

NEW JERSEY

McGuire Air Force Base, $3,550,000.

NEW MEXICO

Cannon Air Force Base, $4,100,000.
Holloman Air Force Base, $2,900,000.
Kirtland Air Force Base, $13,000,000.

NEW YORK

Griffiss Air Force Base, $700,000.

NORTH CAROLINA

Seymour Johnson Air Force Base, $3,050,000.

NORTH DAKOTA

Grand Forks Air Force Base, $13,290,000.
Minot Air Force Base, $6,250,000.

OHIO

Wright-Patterson Air Force Base, $11,455,000.

OKLAHOMA

Altus Air Force Base, $2,300,000.
Tinker Air Force Base, $12,650,000.

SOUTH CAROLINA

Charleston Air Force Base, $6,080,000.

SOUTH DAKOTA

Ellsworth Air Force Base, $8,650,000.

TENNESSEE

Arnold Engineering Development Center, $213,800,000.

TEXAS

Bergstrom Air Force Base, $2,800,000.
Brooks Air Force Base, $2,750,000.
Carswell Air Force Base, $3,500,000.
Dyess Air Force Base, $3,470,000.
Goodfellow Air Force Base, $2,350,000.
Kelly Air Force Base, $29,300,000.
Lackland Air Force Base, $14,039,000.
Laughlin Air Force Base, $1,910,000.
Randolph Air Force Base, $6,150,000.
Reese Air Force Base, $990,000.
Sheppard Air Force Base, $10,700,000.

UTAH

Hill Air Force Base, $10,740,000.

WASHINGTON

Fairchild Air Force Base, $17,580,000.
McChord Air Force Base, $13,100,000.

WYOMING

F.E. Warren Air Force Base, $6,000,000.

VARIOUS LOCATIONS

Base 80, $987,000.
Base 81, $2,800,000.
Classified, $4,000,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

BELGIUM

Kleine Brogel, $1,900,000.

CANADA

Forward Operation Locations, $600,000.

GERMANY

Bitburg Air Base, $1,060,000.
Einsiedlerhof Air Base, $1,500,000.
Hahn Air Base, $16,650,000.
Hessich-Oldendorf Air Station, $740,000.
Norvenich Air Base, $2,300,000.
Pruem Air Station, $620,000.
Ramstein Air Base, $6,000,000.
Rhein-Main Air Base, $5,000,000.
Sembach Air Base, $3,550,000.
Spangdahlem Air Base, $10,270,000.
Wenigerath Air Base, $1,700,000.
Zweibrucken Air Base, $1,300,000.

GREENLAND

Sondrestrom Air Base, $5,950,000.
Thule Air Base, $1,830,000.

GUAM

Anderson Air Force Base, $900,000.

ICELAND

Naval Air Station, Keflavik, $1,100,000.

ITALY

Aviano Air Base, $7,600,000.

JAPAN

Kadena Air Base, $1,850,000.
Misawa Air Base, $4,550,000.
Yokota Air Base, $500,000.

KOREA

Camp Humphreys, $3,350,000.
Kunsan Air Base, $17,330,000.
Osan Air Base, $10,750,000.

NETHERLANDS

Camp New Amsterdam, $10,300,000.
Volkel Air Base, $2,300,000.

OMAN

Masirah Air Base, $2,800,000.
Seeb Air Base, $7,100,000.

PANAMA

Howard Air Force Base, $2,600,000.

PHILIPPINES

Clark Air Base, $33,140,000.

PORTUGAL

Lajes Field, $4,850,000.

TURKEY

Incirlik Air Base, $9,590,000.
Pirinclik Air Station, $1,500,000.

UNITED KINGDOM

RAF Alconbury, $2,650,000.
RAF Bentwaters, $6,230,000.
RAF Feltwell, $500,000.
RAF Lakenheath, $10,170,000.
RAF Mildenhall, $7,150,000.
RAF Upper Heyford, $3,830,000.
RAF Welford, $3,720,000.

VARIOUS LOCATIONS

Base 30, $3,850,000.
Base 74, $750,000.
Base 79, $1,900,000.
Base 82, $2,800,000.
Base 119, $2,050,000.
Classified Locations, $16,473,000.

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Air Force may, using amounts appropriated pursuant to section 2304(a)(5)(A), construct or acquire two hundred sixty family housing units (including land acquisition) at Clark Air Base, Philippines, in the amount of $19,920,000.

(b) PLANNING AND DESIGN.—The Secretary of the Air Force may, using amounts appropriated pursuant to section 2304(a)(5)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $7,000,000.

SEC. 2303. IMPROVEMENT TO MILITARY FAMILY HOUSING UNITS.

(a) IN GENERAL.—Subject to section 2825 of title 10, United States Code, the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $153,765,000.

(b) WAIVER OF MAXIMUM PER UNIT COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under Section 2825(b) of title 10, United States Code, the Secretary of the Air Force may carry out projects to improve existing military family housing units at the following installations in the number of units shown and in the amount shown for each installation:

Gunter Air Force Station, Alabama, twenty-three units, $1,136,000.

Maxwell Air Force Base, Alabama, fifty units, $2,722,000.

Eielson Air Force Base, Alaska, ninety-six units, $7,943,000.

Elmendorf Air Force Base, Alaska, forty-eight units, $3,818,000.

Davis-Monthan Air Force Base, Arizona, one unit, $60,000.

Luke Air Force Base, Arizona, one hundred fifty-two units, $5,975,000.

McClellan Air Force Base, California, thirty units, $3,207,000.

Peterson Air Force Base, Colorado, one unit, $74,000; eighty units, $3,527,000.

Bolling Air Force Base, District of Columbia, one hundred and ten units, $4,018,000.

Eglin Air Force Base, Florida, fifty units, $2,138,000.

MacDill Air Force Base, Florida, four units, $279,000.

Robins Air Force Base, Georgia, one hundred and sixty units, $6,861,000.

Scott Air Force Base, Illinois, four units, $184,000.

Grissom Air Force Base, Indiana, one hundred and eighty-six units, $6,788,000.

Barksdale Air Force Base, Louisiana, two units, $185,000; one hundred and fourteen units, $6,200,000.

England Air Force Base, Louisiana, one hundred and six units, $5,830,000.

Andrews Air Force Base, Maryland, five units, $338,000.

Pease Air Force Base, New Hampshire, one unit, $121,000.

McGuire Air Force Base, New Jersey, one hundred units, $4,921,000.

Kirtland Air Force Base, New Mexico, four units, $240,000; one hundred and fifteen units, $4,894,000.

Plattsburgh Air Force Base, New York, one hundred and seventy-four units, $10,600,000.

Minot Air Force Base, North Dakota, one unit, $65,000.

Shaw Air Force Base, South Carolina, one hundred and thirty units, $4,703,000.

Carswell Air Force Base, Texas, one hundred and eighty-one units, $7,869,000; sixteen units, $600,000.

Dyess Air Force Base, Texas, one unit, $64,000.

Kelly Air Force Base, Texas, one hundred and one units, $3,381,000.

Randolph Air Force Base, Texas, two units, $199,000.

Reese Air Force Base, Texas, one hundred and eighty-eight units, $6,816,000.

Ramstein Air Base, Germany, two hundred and forty units, $16,000,000; eight units, $706,000; nine units, $1,039,000.

Andersen Air Force Base, Guam, one unit, $167,000; one hundred and twenty units, $8,000,000.

Misawa Air Base, Japan, one hundred and eighty units, $8,707,000.

Yokota Air Base, Japan, eighty-one units, $5,629,000.

Osan Air Base, Korea, ten units, $447,000.

Clark Air Base, Philippines, eighty-two units, $4,203,000.

RAF Alconbury, United Kingdom, twenty-five units, $1,119,000.

RAF Greenham Common, United Kingdom, one hundred nineteen units, $5,588,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATION, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,163,411,000, as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $867,707,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $245,153,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,500,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $111,600,000.

(5) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $180,685,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $741,766,000 of which not more than $16,612,500 may be obligated or expended for leasing of military family housing units in the United States, the Commonwealth of Puerto Rico, and Guam; and not more than $74,268,500 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $133,000,000 (the balance of the amount authorized for the construction of the J-6 facility, Arnold Engineering Development Center, Tennessee).

(c) RESTRICTION ON CERTAIN FUNDING.—None of the funds appropriated pursuant to subsection (a)(2) may be obligated for use or expended in Panama until the Secretary of Defense transmits to the Committees on Armed Services of the Senate and the House of Representatives a copy of the plans of the activities to be carried out by the Department of Defense in Panama during the five-

year period beginning on the date of the enactment of this Act.

SEC. 2305. EXTENSION OF CERTAIN PREVIOUS AUTHORIZATIONS.

Notwithstanding the provisions of section 2301(a) of the Military Construction Authorization Act, 1987, (Public Law 99-661), authorizations for the following projects authorized in sections 2301 and 2302 of that Act shall remain in effect until October 1, 1989, or the date of the enactment of a Military Construction Authorization Act for fiscal year 1990, whichever is later:

(1) KC-135 CPT Simulator Facility, in the amount of $890,000 at Minot Air Force Base, North Dakota.

(2) Add to and alter Avionics Maintenance Shop, in the amount of $1,150,000 at Pease Air Force Base, New Hampshire.

(3) KC-135 CPT Simulator facilities in the amount of $660,000 at Robins Air Force Base, Georgia.

(4) Land acquisition in the amount of $230,000 at the United States Air Force Academy, Colorado Springs, Colorado.

(5) Land acquisition Auxiliary Field in the amount of $3,700,000, at Laughlin Air Force Base, Texas.

(6) KC-135 CPT Simulator facility in the amount of $3,500,000, at Beale Air Force Base, California.

(7) KC-135 CPT Simulator facility in the amount of $3,000,000 at Plattsburgh Air Force Base, New York.

TITLE IV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States.

DEFENSE COMMUNICATIONS AGENCY

Arlington Service Center, Virginia, $742,000.

DEFENSE LOGISTICS AGENCY

Defense Fuel Support Point, Adak, Alaska, $19,000,000.
Defense Depot, Tracy, California, $590,000.
Defense Fuel Support, Pearl City, Hawaii, $1,900,000.
Defense Reutilization and Marketing Office, Fort Campbell, Kentucky, $1,600,000.
Defense Reutilization and Marketing Office, Offutt Air Force Base, Nebraska, $430,000.
Defense Depot, Mechanicsburg, Pennsylvania, $460,000.
Defense Reutilization and Marketing Office, Carswell Air Force Base, Texas, $350,000.
Defense Depot, Ogden, Utah, $6,000,000
Cheatham Annex, Virginia, $450,000.

DEFENSE MAPPING AGENCY

Hydrographic/Topographic Center, Brookmont, Maryland, $5,209,000.

DEFENSE MEDICAL FACILITIES OFFICE

Marine Corps Base, Camp Pendleton, California, $5,000,000.
March Air Force Base, California, $3,000,000.
Naval Station, North Island, California, $7,200,000.
Naval Station, Treasure Island, California, $11,000,000.
Tyndall Air Force Base, Florida, $800,000.
Fort Benning, Georgia, $700,000.
Robins Air Force Base, Georgia, $3,600,000.
Fort Leonard Wood, Missouri, $1,450,000.
Seymour Johnson Air Force Base, North Carolina, $3,700,000.
Ft. Sill, Oklahoma, $54,000,000.
Marine Corps Recruit Depot, Parris Island, South Carolina, $4,100,000.
Corpus Christi, Texas, $6,100,000.
Dyess Air Force Base, Texas, $950,000.

NATIONAL DEFENSE UNIVERSITY

Fort McNair, District of Columbia, $28,000,000.

NATIONAL SECURITY AGENCY

Fort Meade, Maryland, $2,230,000.
Classified Locations, $20,000,000.

OFFICE OF THE SECRETARY OF DEFENSE

Fort Belvoir, Virginia, $3,000,000.
Classified Location, $4,200,000.

STRATEGIC DEFENSE INITIATIVE ORGANIZATION

Falcon Air Force Station, Colorado, $65,000,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

DEFENSE COMMUNICATIONS AGENCY

Yokota Air Base, Japan, $785,000.

DEFENSE LOGISTICS AGENCY

Defense Reutilization and Marketing Office, Bitburg, Germany, $800,000.
Defense Reutilization and Marketing Office, Kaiserslautern, Germany, $500,000.

DEFENSE MEDICAL FACILITIES OFFICE

Downs Barracks, Germany, $4,200,000.
Geilenkirchen Air Base, Germany, $450,000.
Hahn Air Base, Germany, $18,500,000.
Patch Barracks, Germany, $4,700,000.
Rhein-Main Air Base, Germany, $14,200,000.
Smith Barracks, Germany, $5,100,000.
Spangdahlem Air Base, Germany, $1,250,000.
Wildflecken, Germany, $4,800,000.
Camp Howze 2nd Infantry Division, Korea, $780,000.
Seoul, Korea, $55,000,000.
Taegu Air Base, Korea, $4,400,000.
Royal Air Force, High Wycombe, United Kingdom, $720,000.
Royal Air Force, Lakenheath, United Kingdom, $41,000,000.
Base 54, $12,800,000.
Classified Locations, $19,500,000.

DEFENSE NUCLEAR AGENCY

Headquarters, Field Command, Johnston Island, $2,644,000.

DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

Aschaffenburg, Germany, $8,151,000.
Bad Kissingen, Germany, $1,620,000.
Baumholder, Germany, $1,940,000.
Erlangen, Germany, $3,890,000.
Gelnhausen, Germany, $1,482,000.
Giessen, Germany, $7,627,000.
Wildflecken, Germany, $2,752,000.
Keflavik, Iceland, $5,434,000.
Aviano, Italy, $9,450,000.
Pusan, Korea, $1,980,000.
Seoul, Korea, $7,332,000.
Brunssum, Netherlands, $8,863,000.

DEPARTMENT OF DEFENSE SECTION VI SCHOOLS

Fort Buchanan, Puerto Rico, $9,110,000.

NATIONAL SECURITY AGENCY

Classified Locations, $11,250,000.

STRATEGIC DEFENSE INITIATIVE ORGANIZATION

Pacific Missile Range, Kwajalein, $16,000,000.

SEC. 2402. FAMILY HOUSING.

The Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(10)(A), construct or acquire three family housing units (including land acquisition) at classified locations in the total amount not to exceed $400,000.

SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to Section 2825 of title 10, United States Code, the Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(10)(A), improve existing military family housing units in an amount not to exceed $113,000.

SEC. 2404. AFCENT SCHOOL.

The Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(2), contribute funds in the amount of $8,863,000 to the Government of The Netherlands (in its capacity as construction agent) for the United States' share of the cost of the International Elementary and High School project in Brunssum, Netherlands.

SEC. 2405. CONFORMING STORAGE FACILITIES.

Section 2404(a) of the Military Construction Authorization Act, 1987 (Public Law 99-661), is amended to read as follows:

"(a) AUTHORITY TO CONSTRUCT.—The Secretary of Defense may, using not more than $10,000,000 appropriated for fiscal year 1987, not more than $5,000,000 appropriated for fiscal year 1988, and not more than $9,300,000 appropriated for fiscal year 1989, carry out military construction projects not otherwise authorized by law for conforming storage facilities."

SEC. 2406. DEFENSE ACCESS ROADS.

The Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(5), make advances to the Secretary of Transportation for the construction of defense access roads under section 210 of title 23, United States Code, at Fort Meade, Maryland, in the amount of $10,000,000.

SEC. 2407. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $748,000,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $260,761,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $289,010,000.

(3) For military construction projects at Fort Sam Houston, Texas, authorized by section 2401(a) of the Military Construction Authorization Act, 1987, as amended, $23,000,000.

(4) For military construction projects at Fort Lewis, Washington, authorized by section 101(a) of the Military Construction Authorization Act, 1985, $59,000,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $10,000,000.

(6) For unspecified minor construction projects under section 2805 of title 10, United States Code, $6,000,000.

(7) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $8,000,000.

(8) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $62,229,000.

(9) For conforming storage facilities constructed under the authority of section 2404 of the Military Construction Authorization Act, 1987, as amended, $9,300,000.

(10) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $513,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $20,187,000, of which not more than $17,179,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

TITLE V—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

SEC. 2501. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Infrastructure Program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Infrastructure Program, as authorized by section 2501, in the amount of $502,100,000.

TITLE VI—GUARD AND RESERVE FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1988, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $161,838,000, and

(B) for the Army Reserve, $80,155,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserves, $48,400,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $151,140,000, and

(B) for the Air Force Reserve, $58,800,000.

TITLE VII—EXPIRATION OF AUTHORIZATIONS; EFFECTIVE DATE

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER TWO YEARS.—Except as provided in subsection (b), all authorizations contained in titles I, II, III, IV, and V for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure Program (and authorizations of appropriations therefor) shall expire on October 1, 1990, or the date of the enactment of the Military Construction Authorization Act for fiscal year 1991, whichever is later.

(b) EXCEPTION.—The provisions of subsection (a) do not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure Program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before October 1, 1990, or the date of the enactment of the Military Construction Authorization Act for fiscal year 1991, whichever is later, for construction contracts, land acquisition, family housing projects and facilities, or contributions to the NATO Infrastructure Program.

SEC. 2702. EFFECTIVE DATE.

This division shall take effect on October 1, 1988, or the date of enactment of this Act, whichever is later.

TITLE VIII—GENERAL PROVISIONS

PART A—MISCELLANEOUS

SEC. 2801. PROHIBITION OF FUNDING FOR CERTAIN MILITARY CONSTRUCTION CONTRACTS ON GUAM.

(a) IN GENERAL.—Except as provided in subsection (b), no funds appropriated pursuant to authorizations made by this division may be expended with respect to any contract for a military construction project on Guam if any work is carried out on such project by any person who is a nonimmigrant described in section 101(a)(15)(H)(ii) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)).

(b) EXCEPTION.—In any case in which there is no acceptable bid made in response to a solicitation by the Secretary of a military department for bids on a contract for a military construction project on Guam and the Secretary concerned makes a determination that the prohibition contained in subsection (a) is a significant deterrent to obtaining bids on such contract, the Secretary concerned may make another solicitation for bids on such contract and the prohibition contained in subsection (a) shall not apply to such contract after the 21-day period beginning with the date on which the Secretary concerned transmits a report concerning such contract to the Committee on Armed Services of the Senate and the House of Representatives.

(c) EFFECTIVE DATE.—The provisions of this section shall apply to contracts entered into, amended, or otherwise modified on or after the date of the enactment of this Act.

SEC. 2802. BROOKE ARMY MEDICAL CENTER.

(a) INCREASE IN PROJECT AUTHORITY.—(1) Section 2401(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661; 100 Stat. 4034), is amended by striking out "$241,000,000" in the item relating to Fort Sam Houston, Texas under the heading relating to Defense Medical Facilities Office and inserting in lieu thereof "$275,000,000".

(2) The limitation on the total cost of projects carried out under section 2401 of such Act is hereby increased by $34,000,000.

(b) CONFORMING AMENDMENT.—Section 2403(a)(2) of such Act is amended by striking out "but the" and all that follows through "beds".

SEC. 2803. COMMUNITY PLANNING ASSISTANCE.

The Secretary of Defense may use the following amounts to provide planning assistance to any local community located near the following installations if the Secretary determines that the financial resources available to the community (by grant or otherwise) are inadequate:

(1) Not more than $250,000 from funds appropriated to the Department of Defense for fiscal year 1989 for local communities located near the strategic homeport at Everett, Washington.

(2) Not more than $250,000 from funds appropriated to the Department of Defense for fiscal year 1989 for local communities located near the newly established Light Infantry Division Post at Ft. Drum, New York.

SEC. 2804. FORT DERUSSY, HAWAII.

(a) DESIGNATION.—The Armed Forces Recreation Center at Fort DeRussy, Hawaii, shall be known and designated as the "Dan Daniel Armed Forces Recreation Center".

(b) USE.—The Secretary of the Army shall administer that fort as the primary rest and recreation area for members of the Armed Forces in the Pacific.

(c) PROHIBITION.—Notwithstanding any other provision of law, funds appropriated or otherwise available to the Department of Defense may not be used in any way, directly or indirectly, for the purpose of selling, leasing, renting, excessing, or otherwise disposing of any portion of the land constituting Fort DeRussy, Hawaii (as constituted on the date of the enactment of this Act).

(d) IMPLMENTATION OF PLAN.—(1) Section 2740(d) of the Military Construction Authorization Act, 1987 (Public Law 99-661; 100 Stat. 4051), is amended—

(A) by striking out "PAYMENT OF EXCESS INTO TREASURY" in the subsection heading and inserting in lieu thereof "EXCESS AMOUNT"; and

(B) by striking out "shall deposit" and all that follows through the period and inserting in lieu thereof "may use such amount for the implementation of the plan established by the Secretary of the Army on March 1, 1988, for the future use and development of Fort DeRussy, Hawaii, except that such amount may not be used to pay for the construction of non-appropriated-fund projects identified in such plan. The Secretary shall deposit any part of such amount not used for such purpose at the end of the ten-year period beginning on the date of the enactment of the Military Construction Authorization Act, 1989, into the Treasury as miscellaneous receipts.".

(2) Section 2332(d) of the Military Construction Authorization Act, 1988 and 1989 (Public Law 100-180; 100 Stat. 1223), is amended—

(A) by striking out "PAYMENT OF EXCESS INTO TREASURY" in the subsection heading and inserting in lieu thereof "EXCESS AMOUNT"; and

(B) by striking out "shall deposit" and all that follows through the period and inserting in lieu thereof "may use such amount for the implementation of the plan established by the Secretary of the Army on March 1, 1988, for the future use and development of Fort DeRussy, Hawaii, except that such amount may not be used to pay for the construction of non-appropriated-fund projects identified in such plan. The Secretary shall deposit any amount not used for such purpose at the end of the ten-year period beginning on the date of the enactment of the Military Construction Authorization Act, 1989, into the Treasury as miscellaneous receipts.".

SEC. 2805. WURTSMITH AIR FORCE BASE, MICHIGAN.

The library building located on the Wurtsmith Air Force Base, Michigan, is hereby designated as the "General Earl T. O'Lough-

lin Library". Any reference to such building in a law, rule, map, document, record, or other paper of the United States shall be considered to be a reference to the "General Earl T. O'Loughlin Library".

PART B—REAL PROPERTY TRANSACTIONS

SEC. 2811. LAND TRANSFER, WASHINGTON, D.C.

(a) IN GENERAL.—The Administrator of General Services shall transfer, without reimbursement being required or made, to the Secretary of the Navy approximately 6 acres of real property (including Building 197 located thereon) located at a site referred to as the Southeast Federal Center near the Washington Navy Yard, Washington, D.C., and bounded on the east by Issac Hull Avenue, on the north by Tingey Street, on the west by Buildings 116 and 118, and on the south by property owned by the Department of the Navy.

(b) DESIGN OF BUILDING.—The Secretary of the Navy shall use not more than $9,200,000 of the amount appropriated pursuant to section 2205(a)(4) to initiate the redesign of Building 197 referred to in subsection (a).

SEC. 2812. LAND TRANSFER, SUITLAND, MARYLAND.

The Administrator of General Services, after consultation with the Secretary of the Navy, shall determine to be excess property such vacant land, located at the Suitland Federal Center, Suitland, Maryland, as (1) will accommodate the needs of the Department of the Navy for its construction and operation of the Naval Intelligence Command Headquarters authorized by section 2201(a), and (2) will be consistent with the current and future needs of the General Services Administration for use and development of such land, as anticipated by the Administrator of General Services. The Administrator and the Secretary of the Navy shall jointly determine the acreage and location of such land. The Administrator of General Services shall transfer such excess property to the Department of the Navy without reimbursement being made or required.

SEC. 2813. LAND TRANSFER, RESERVE FORCES TRAINING CENTER, ALAMEDA COUNTY, CALIFORNIA.

(a) IN GENERAL.—Subject to subsections (b) through (d), the Secretary of the Army may convey—

(1) approximately 35 acres of real property, and improvements thereon, at the Reserve Forces Training Center, County of Alameda, California, to the County of Alameda, California; and

(2) approximately 12 acres of real property, and improvements therein, at such Center to the City of Dublin, California,

in exchange for the property described in subsection (b).

(b) CONSIDERATION.—In exchange for the property described in subsection (a), the Secretary shall obtain all right, title, and interest to 450 acres of real property, and improvements thereon, from the East Bay Regional Park District, County of Alameda, California, the fair market value of which is at least equal to the real property conveyed by the Secretary under subsection (a).

(c) LEGAL DESCRIPTION AND SURVEYS.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by surveys that are satisfactory to the Secretary. The cost of such surveys shall be borne by the county, city, and park district.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances made under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2814. LAND CONVEYANCE, OKALOOSA COUNTY, FLORIDA.

Section 809(c) of the Military Construction Authorization Act, 1979 (Public Law 95-356; 92 Stat. 587), is amended by inserting the following before the period: "and a parcel containing a total of 42 acres".

SEC. 2815. LAND CONVEYANCE, ORANGE COUNTY, CALIFORNIA.

(a) TRANSFER.—Subject to subsections (b) through (d), the Secretary of the Navy may convey to Orange County, California, an easement for the construction and maintenance of flood control improvements by the County on approximately 32 acres of land at the northern end of Marine Corps Air Station, El Toro, along with any temporary rights needed to construct such improvements.

(b) CONSIDERATION.—(1) In partial consideration for the conveyance under subsection (a), the Secretary shall receive—

(1) approximately one and one-half acres of land adjacent to Marine Corps Air Station, Tustin, California; and

(2) flood control improvements to Marine Corps Air Station, El Toro.

(2) The county flood control improvements and any additional flood control improvements shall be constructed at no cost to the United States.

(c) SURVEYS.—The exact acreages and legal descriptions of the real property conveyed under this section shall be determined by surveys satisfactory to the Secretary. Such surveys shall be made at no cost to the United States.

(d) ADDITIONAL TERMS.—The Secretary may require additional terms and conditions in connection with the conveyances of real property under this section as the Secretary considers appropriate to protect the United States.

DIVISION C—OTHER NATIONAL DEFENSE AUTHORIZATIONS

TITLE I—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

SEC. 3101. SHORT TITLE.

This title may be cited as the "Department of Energy National Security Authorization Act for Fiscal Year 1989".

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

SEC. 3111. OPERATING EXPENSES.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1989 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For weapons activities, $3,567,629,000, to be allocated as follows:

(A) For research and development, $1,052,546,000.

(B) For weapons testing, $524,238,000.

(C) For production and surveillance, $1,909,445,000.

(D) For nuclear directed energy weapons research, development, and testing, $252,254,000.

(E) For the defense inertial confinement fusion program, $155,530,000.

(F) For program direction, $81,400,000.

(2) For defense nuclear materials production, $1,572,772,000, to be allocated as follows:

(A) For uranium enrichment for naval reactors, $169,000,000.

(B) For other uranium enrichment, $0.00.

(C) For production reactor operations, $603,976,000.

(D) For processing of defense nuclear materials, including naval reactors fuel, $511,717,000, of which $72,300,000 shall be used for special isotope separation.

(E) For supporting services, $259,679.

(F) For program direction, $28,400,000.

(3) For environmental restoration and management of defense waste and transportation, $689,624,000, to be allocated as follows:

(A) For environmental restoration, $120,925,000. Such funds may also be used for plant and capital equipment.

(B) For waste operation and projects, $532,042,000.

(C) For waste research and development, $58,400,000.

(D) For hazardous waste process planning, $8,377,000.

(E) For transportation management, $9,720,000.

(F) For program direction, $3,100,000.

(4) For verification and control technology, $131,200,000.

(5) For nuclear materials safeguards and security technology development program, $75,400,000.

(6) For security investigations, $40,000,000.

(7) For naval reactors development, $555,400,000.

SEC. 3112. PLANT AND CAPITAL EQUIPMENT.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1989 for plant and capital equipment (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For weapons activities:

Project 89-D-101, general plant projects, various locations, $26,500,000.

Project 89-D-121, general plant projects, various locations, $29,194,000.

Project 89-D-122, production waste storage facilities, Y-12 Plant, Oak Ridge, Tennessee, $2,000,000.

Project 89-D-125, plutonium recovery modification project, Rocky Flats Plant, Golden, Colorado, $18,000,000.

Project 89-D-126, environmental, safety, and health upgrade, Phase II, Mound Plant, Miamisburg, Ohio, $800,000.

Project 88-D-102, sanitary wastewater systems consolidation, Los Alamos National Laboratory, Los Alamos, New Mexico, $7,600,000.

Project 88-D-103, seismic upgrade, Building 111, Lawrence Livermore National Laboratory, Livermore, California, $5,400,000.

Project 88-D-104, safeguards and security upgrade, Phase II, Los Alamos National Laboratory, Los Alamos, New Mexico, $7,300,000.

Project 88-D-105, special nuclear materials research and development laboratory replacement, Los Alamos National Laboratory, Los Alamos, New Mexico, $22,000,000.

Project 88-D-106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $72,352,000.

Project 88-D-122, facilities capability assurance program, various locations, $79,341,000.

Project 88-D-123, security enhancements, Pantex Plant, Amarillo, Texas, $7,500,000.

Project 88-D-124, fire protection upgrade, various locations, $6,500,000.

Project 88-D-125, high explosive machining facility, Pantex Plant, Amarillo, Texas, $13,000,000.

Project 88-D-126, personnel radiological monitoring laboratories, various locations, $5,000,000.

Project 87-D-104, safeguards and security enhancement, Phase II, Lawrence Livermore National Laboratory, Livermore, California, $8,500,000.

Project 87-D-122, short-range attack missile II (SRAM II) warhead production facilities, various locations, $26,000,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $12,000,000.

Project 86-D-104, strategic defenses facility, Sandia National Laboratories, Albuquerque, New Mexico, $3,237,000.

Project 86-D-123, environmental hazards elimination, various locations, $5,203,000.

Project 86-D-130, tritium loading facility replacement, Savannah River Plant, Aiken, South Carolina, $31,800,000.

Project 85-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase I, various locations, $6,800,000.

Project 85-D-105, combined device assembly facility, Nevada Test Site, Nevada, $12,200,000.

Project 85-D-112, enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, Tennessee, $1,281,000.

Project 84-D-124, environmental improvements, Y-12 Plant, Oak Ridge, Tennessee, $4,775,000.

Project 84-D-211, safeguards and site security upgrading, Y-12 Plant, Oak Ridge, Tennessee, $2,775,000.

(2) For materials production:

Project 89-D-140, additional separations safeguards, Savannah River, South Carolina, $5,300,000.

Project 89-D-141, M-area waste disposal, Savannah River, South Carolina, $3,600,000.

Project 89-D-142, reactor effluent cooling water thermal mitigation, Savannah River, South Carolina, $1,000,000.

Project 89-D-146, general plant projects, various locations, $35,260,000.

Project 89-D-148, improved reactor confinement system, design only, Savannah River, South Carolina, $2,000,000.

Project 88-D-153, additional reactor safeguards, Savannah River, South Carolina, $5,700,000.

Project 88-D-154, new production reactor, design only, site to be determined, $35,000,000.

Project 87-D-152, environmental protection plantwide, Savannah River, South Carolina, $2,224,000.

Project 87-D-159, environmental, health, and safety improvements, Phases I, II, and III, Feed Materials Production Center, Fernald, Ohio, $50,000,000.

Project 86-D-148, special isotope separation project, Idaho Falls, Idaho, $28,000,000.

Project 86-D-149, productivity retention program, Phases I, II, III, and IV, various locations, $72,140,000.

Project 86-D-152, reactor electrical distribution system, Savannah River, South Carolina, $6,000,000.

Project 86-D-156, plantwide safeguards systems, Savannah River, South Carolina, $12,800,000.

Project 85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $65,000,000.

Project 84-D-134, safeguards and security improvements, plantwide, Savannah River, South Carolina, $11,584,000.

Project 82-D-124, restoration of production capabilities, Phases II, III, IV, and V, various locations, $5,879,000.

(3) For defense waste and environmental restoration:

Project 89-D-170, general plant projects, waste operations and projects, and waste research and development, various locations, $28,000,000.

Project 89-D-171, Idaho National Engineering Laboratory road renovation, Idaho, $4,000,000.

Project 89-D-172, Hanford environmental compliance, Richland, Washington, $12,000,000.

Project 89-D-173, tank farm ventilation upgrade, Richland, Washington, $1,800,000.

Project 89-D-174, replacement high level waste evaporator, Savannah River, South Carolina, $3,520,000.

Project 89-D-175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina, $3,500,000.

Project 88-D-173, Hanford waste vitrification plant, Richland, Washington, $22,500,000.

Project 87-D-173, 242-A evaporator crystallizer upgrade, Richland, Washington, $1,944,000.

Project 87-D-177, test reactor area liquid radioactive waste cleanup system, Phase III, Idaho National Engineering Laboratory, Idaho, $911,000.

Project 87-D-180, burial ground expansion, Savannah River, South Carolina, $2,068,000.

Project 87-D-181, diversion box and pump pit containment buildings, Savannah River, South Carolina, $6,371,000.

Project 86-D-175, Idaho National Engineering Laboratory security upgrade, Idaho, $2,084,000.

Project 83-D-148, nonradioactive hazardous waste management, Savannah River, South Carolina, $13,000,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $92,462,000.

(4) For naval reactors development:

Project 89-N-101, general plant projects, various locations, $7,000,000.

Project 89-N-102, heat transfer test facility, Knolls Atomic Power Laboratory, Niskayuna, New York, $2,800,000.

Project 89-N-103, advanced test reactor modifications, Test Reactor Area, Idaho National Engineering Laboratory, Idaho, $1,600,000.

Project 89-N-104, power system upgrade, Naval Reactors Facility, Idaho, $600,000.

Project 88-N-102, expended core facility receiving station, Naval Reactors Facility, Idaho, $5,900,000.

Project 88-N-103, material handling and storage modifications, Knolls Atomic Power Laboratory, Niskayuna, New York, $2,700,000.

Project 88-N-104, prototype availability facilities, Knolls Atomic Power Laboratory, Kesselring Site, West Milton, New York, $6,000,000.

(5) For capital equipment not related to construction:

(A) For weapons activities, $272,254,000, including $8,240,000 for the defense inertial confinement fusion program.

(B) For materials production, $102,500,000.

(C) For defense waste and environmental restoration, $52,716,000.

(D) For verification and control technology, $8,400,000.

(E) For nuclear safeguards and security, $4,800,000.

(F) For naval reactors development, $48,000,000.

SEC. 3113. FUNDING LIMITATIONS.

(a) PROGRAMS, PROJECTS, AND ACTIVITIES OF THE DEPARTMENT OF ENERGY RELATING TO THE STRATEGIC DEFENSE INITIATIVE.—Of the funds appropriated to the Department of Energy for fiscal year 1989 for operating expenses and plant and capital equipment, not more than $285,000,000 may be obligated or expended for programs, projects, and activities of the Department of Energy relating to the Strategic Defense Initiative.

(b) INERTIAL CONFINEMENT FUSION.—Of the funds appropriated to the Department of Energy for fiscal year 1989 for operating expenses and plant and capital equipment, not less than $163,770,000 shall be obligated or expended for the defense inertial confinement fusion program.

(c) SRAM II.—Funds appropriated to the Department of Energy for fiscal year 1989 for facilities for production of the warhead for the short-range attack missile II (SRAM II) (project 87-D-122) may be obligated only—

(1) for facilities which are suitable for production of a warhead compatible with both the SRAM-A and the SRAM II; and

(2) after the Nuclear Weapons Council certifies that the design of the warhead is compatible with both the SRAM-A and the SRAM II.

(d) NEW PRODUCTION REACTOR.—(1) Funds appropriated to the Department of Energy for fiscal years 1988 and 1989 for the design of a new production reactor (project 88-D-154) may be obligated or expended—

(A) only for a design that meets the requirements described in paragraph (2);

(B) only after the Secretary of Energy makes the certification required by paragraph (3); and

(C) only after the report described in paragraph (4) has been available to the committees named in that paragraph for at least 30 days.

(2) The technology selected and the design for the new production reactor shall—

(A) provide the highest levels of environmental protection and of safety for plant and operating personnel;

(B) meet or exceed current Nuclear Regulatory Commission safety requirements for commercial nuclear facilities; and

(C) provide, to the maximum extent feasible, passive safety inherent in the design, operability, productivity, minimum lifecycle costs, minimum investment costs, and maximum return on investment.

(3) The Secretary of Energy, in consultation with the Nuclear Regulatory Commission and such other experts as the Secretary considers appropriate, shall certify that the design of the reactor will meet the requirement specified in paragraph (2)(A).

(4) The Secretary of Energy shall submit to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives a report describing the technology to be applied in the new production reactor, the basis for the selection of the technology, and the compatibility of the technology with the requirements described in paragraph (2).

PART B—RECURRING GENERAL PROVISIONS

SEC. 3121. REPROGRAMMING.

(a) NOTICE TO CONGRESS.—(1) Except as otherwise provided in this title—

(A) no amount appropriated pursuant to this title may be used for any program in excess of the lesser of—

(i) 105 percent of the amount authorized for that program by this title; or

(ii) $10,000,000 more than the amount authorized for that program by this title; and

(B) no amount appropriated pursuant to this title may be used for any program which has not been presented to, or requested of, the Congress.

(2) An action described in paragraph (1) may be taken after a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the Committees on Armed Services and Appropriations of the Senate and House of Representatives of notice from the Secretary of Energy (in this title referred to as the "Secretary") containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(b) LIMITATION ON AMOUNT OBLIGATED.—In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary may carry out any construction project under the general plant projects provisions authorized by this title if the total estimated cost of the construction project does not exceed $1,200,000.

(b) REPORT TO CONGRESS.—If at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $1,200,000, the Secretary shall immediately furnish a complete report to the Committees on Armed Services and Appropriations of the Senate and House of Representatives explaining the reasons for the cost variation.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by section 3112 of this title, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to the Congress.

(2) An action described in paragraph (1) may be taken after a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the Committees on Armed Services and Appropriations of the Senate and House of Representatives of notice from the Secretary of Energy (in this title referred to as the "Secretary") containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) IN GENERAL.—Funds appropriated pursuant to this title may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

(b) SPECIFIC TRANSFER.—The Secretary of Defense may transfer to the Secretary of Energy not more than $100,000,000 of the funds appropriated for fiscal year 1989 to the Department of Defense for research, development, test, and evaluation for the Defense Agencies for the performance of work on the Strategic Defense Initiative. Funds so transferred—

(1) may be used only for research, development, and testing for nuclear directed energy weapons, including plant and capital equipment related thereto;

(2) shall be merged with the appropriations of the Department of Energy; and

(3) may not be included in calculating the amount of funds obligated or expended for purposes of the funding limitation in section 3113(a).

SEC. 3125. AUTHORITY FOR CONSTRUCTION DESIGN.

(a) IN GENERAL.—(1) Within the amounts authorized by this title for plant engineering and design, the Secretary may carry out advance planning and construction designs (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In any case in which the total estimated cost for such planning and design exceeds $300,000, the Secretary shall notify the Committees on Armed Services and Appropriations of the Senate and House of Representatives in writing of the details of such project at least 30 days before any funds are obligated for design services for such project.

(b) SPECIFIC AUTHORITY REQUIRED.—In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY CONSTRUCTION DESIGN.

In addition to the advance planning and construction design authorized by section 3112, the Secretary may perform planning and design utilizing available funds for any Department of Energy defense activity construction project whenever the Secretary determines that the design must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

When so specified in an appropriation Act, amounts appropriated for operating expenses or for plant and capital equipment may remain available until expended.

PART C—MISCELLANEOUS PROVISIONS

SEC. 3131. REVIEW OF THE INERTIAL CONFINEMENT FUSION PROGRAM.

(a) ESTABLISHMENT.—(1) Within 30 days after the date of the enactment of this Act, the Secretary of Energy shall establish a review body to be known as the Program Review Group on Inertial Confinement Fusion (hereinafter in this section referred to as the "Review Group").

(2) It shall be the function of the group to review thoroughly the accomplishments, management, goals, and anticipated contributions of the defense inertial confinement fusion program.

(3) The Secretary of Energy shall appoint to serve on the Review Group only persons who, because of recent training and experience in the scientific disciplines associated with the development and testing of nuclear weapons, are most qualified to make findings of fact and recommendations to the Congress and the President concerning that program.

(b) REPORT.—The Review Group shall submit to the Secretary and the Committee on Appropriations and on Armed Services of the Senate and House of Representatives written reports containing the results of its review, together with such recommendations regarding priorities for future work in the inertial confinement fusion program as it determines appropriate, as follows:

(1) An interim report shall be submitted before January 15, 1990.

(2) A final report shall be submitted before September 15, 1990.

(c) TERMINATION.—Upon the submission of its final report, the Review Group shall cease to exist.

SEC. 3132. MEMBERSHIP OF NUCLEAR WEAPONS COUNCIL.

Section 179(a) of title 10, United States Code, is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The Under Secretary of Defense for Acquisition.".

TITLE II—NATIONAL DEFENSE STOCKPILE

SEC. 3201. AUTHORIZED DISPOSALS.

(a) AUTHORITY.—Notwithstanding section 5(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98d(b)) but subject to section 3202, the President may during fiscal year 1989 dispose of materials in the National Defense Stockpile in accordance with this section. The value of the materials disposed of may not exceed $180,000,000 and may only be made from the list in subsection (b).

(b) MATERIALS AUTHORIZED TO BE DISPOSED.—Any disposal pursuant to the authority in subsection (a) shall be made from the following materials in the National Defense Stockpile, such materials having been determined to be excess to stockpile requirements:

Material	Quantities
Asbestos, chrysotile	7,710 short tons
Diamond, industrial, stones.	540,000 carats
Iodine	772,000 pounds
Manganese dioxide, battery grade.	15,000 short dry tons
Manganese ore, metallurgical grade.	292,000 short dry tons
Mercury	5,000 flasks
Mica, muscovite film	15,000 pounds
Silicon Carbide	10,000 short tons
Silver (all programs)	13,000,000 troy ounces
Thorium nitrate	50,000 pounds
Tin	7,300 metric tons

Material	Quantities
Tungsten ores & concentrates.	450,000 pounds of contained tungsten
Vegetable tannins, chestnut.	3,500 long tons
Vegetable tannins, quebracho.	8,000 long tons

SEC. 3202. CONDITIONS ON DISPOSALS.

(a) RECEIPTS REQUIRED DURING FY 89.—Any disposal authorized by section 3201 shall be carried out in such a manner as to ensure that payment for the full amount due the United States for the materials disposed of is received by the United States during fiscal year 1989.

(b) REQUIRED MATERIAL UPGRADING.—During fiscal year 1989, the President shall obligate $20,000,000 in funds in the National Defense Stockpile Transaction Fund to carry out a pilot program for the upgrade of materials in the National Defense Stockpile as follows:

(1) $10,000,000 shall be obligated to upgrade bauxite to aluminum.

(2) $5,000,000 shall be obligated to upgrade cobalt.

(3) $5,000,000 shall be obligated to upgrade nickel.

(c) REQUIRED ACQUISITIONS.—During fiscal year 1989, the President shall obligate $160,000,000 in funds in the National Defense Stockpile Transaction Fund to acquire strategic and critical materials for the National Defense Stockpile in accordance with this subsection. The materials which may be acquired, and the maximum quantity in which any such material may be acquired, are as follows:

Material	Quantities
Platinum	50,000 troy ounces
Palladium	50,000 troy ounces
Germanium	10,000 kilograms
Chrome metal, high purity.	3,000 short tons
Nickel, high purity	5,000 short tons
Titanium sponge	5,000 short tons
Bauxite, metal grade, Jamaican type.	400,000 long dry tons

(d) OUTLAY LIMITATION.—Subsections (b) and (c) shall be carried out so as to ensure that of the funds obligated under those subsections, the amount expended during fiscal year 1989 does not exceed $90,000,000. The remainder of those funds shall be expended during fiscal year 1990.

TITLE III—CIVIL DEFENSE

SEC. 3301. AUTHORIZATION OF APPROPRIATION.

There is hereby authorized to be appropriated $160,393,000 for fiscal year 1989 for the purpose of carrying out the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2251 et seq.).

Amend the title so as to read: "A bill to authorize appropriations for fiscal year 1989 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.".

The CHAIRMAN. No amendments to said substitute, as modified and as amended, are in order except amendments designated in House Report 100-579. Said amendments shall be considered only in the order and manner specified and shall be considered as having been read. Debate time specified for each amendment shall be equally divided and controlled by the proponent of the amendment and a Member opposed thereto.

No amendments, except for amendments printed in section 3 of House Report 100-579, are subject to amendment—except as specified in House Resolution 435 or House Report 100-579—or to a demand for a division of the question. Debate on any amendment offered to amendments designated in section 3 of House Report 100-579 is limited to 10 minutes, equally divided and controlled by the proponent of the amendment and a Member opposed thereto. Any amendment under consideration when the Committee of the Whole rises on a legislative day shall be completed when the Committee of the Whole next resumes its sitting on H.R. 4264.

Pro forma amendments for the purpose of debate shall be in order only if offered by the chairman or ranking minority member of the Committee on Armed Services, and any general debate specified in House Resolution 435 shall be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services.

It is now in order to consider the amendment printed in section 1 of House Report 100-579, relating to naming a submarine for the late Honorable Melvin Price.

AMENDMENT OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ASPIN: At the end of title IX of division A (page 163, after line 6), insert the following new section:

SEC. 394. NAMING OF TRIDENT SUBMARINE AS U.S.S. MELVIN PRICE.

It is the sense of Congress that the Secretary of the Navy should name the next Trident ballistic missile submarine to be named after the enactment of this Act as the U.S.S. Melvin Price.

The CHAIRMAN. Under the rule, the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 15 minutes and a Member opposed will be recognized for 15 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. ANNUNZIO].

Mr. ANNUNZIO. Mr. Chairman, I rise to compliment and commend the distinguished chairman of the House Armed Services Committee, Honorable LES ASPIN, and the ranking minority member of the committee, Honorable BILL DICKINSON, for bringing to the floor of the House of Representatives this amendment to the Department of Defense authorization bill for fiscal year 1989, to express the sense of Congress that the next Trident ballistic missile submarine deployed after the enactment of this legislation should be named the U.S.S. *Melvin Price.*

It is truly fitting to name this submarine in honor of Mel Price, because of his life-long service to our country, and his numerous contributions to improving the strength and readiness of our defense forces.

Mel was my close and dear friend for more than 44 years, and I have personally witnessed the tremendous modernization of our military forces which has been achieved under his able leadership and vision.

Mel Price served in the U.S. Army, and in fact, was in the service at the time he was first elected to Congress in 1944. His years of service in the military gave him a unique awareness of the problems and challenges which confront our men and women in uniform.

During the 44 years Mel served in the House of Representatives, he gained the respect and admiration of his colleagues for his expertise on defense matters. He served as chairman of the House Armed Services Committee for 10 years, and was the current chairman of the Subcommittee on Research and Development, overseeing the development of new weapons systems. Also, he was an original member of the Joint Committee on Atomic Energy from 1946 until it disbanded in 1977, and helped to write the Price-Anderson Act which established the basis for the first regulations of the nuclear power industry.

Mr. Chairman, Mel Price dedicated his life to public service, and he has left a lasting imprint on the Armed Forces of the United States. Therefore, as one of the sponsors of this amendment which recognizes the tremendous contributions of a great American to the defense of our Nation, I urge my colleagues in the House of Representatives to extend their bipartisan support and vote "aye."

Mr. GRAY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ANNUNZIO. Mr. Chairman, I am happy to yield to my colleague, the gentleman from Illinois.

Mr. GRAY of Illinois. Mr. Chairman, I want to thank my dear friend from Illinois, Mr. ANNUNZIO, for taking this time to announce the pending vote on naming a nuclear submarine and associate myself with everything said about our dear friend, Mel Price.

Mr. Chairman, what a great American, what a great public servant. Sixty years of distinguished service, a member of the St. Clair, IL, county

board, a member of the Armed Forces, 10 years as a top aide to a Congressman, and 44 years as an outstanding chairman and Member of this body.

Mr. Chairman, yesterday our beloved Speaker, JIM WRIGHT, delivered a beautiful eulogy at the funeral for Mel in Belleville, IL. I was privileged to speak along with our senior Senator ALAN DIXON. The mass and the music were simply beautiful.

I urge all my colleagues to vote in favor of this fitting memorial to our dear friend of 44 years, Mel Price. Thank you.

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Mr. DICKINSON. Mr. Chairman, I ask that I be given the 15 minutes allotted to this side.

The CHAIRMAN. The gentleman from Alabama [Mr. DICKINSON] is recognized for 15 minutes.

Mr. DICKINSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in very strong support of this amendment to express the sense of Congress that the next Trident submarine should be named for our late distinguished colleague, Melvin Price.

I can think of no more fitting tribute to a man who dedicated most of his life to ensuring a strong defense for his country. The Trident submarine is a cornerstone of the strategic deterrent that has performed so well over these past 40 years in preventing war and keeping the peace. This is what Mel Price worked so hard for, so long to achieve.

Mel, of course, played a key role in the development of the nuclear-powered ships and submarines the Navy now sails around the world. As both a member and then chairman of the Joint Committee on Atomic Energy Mel Price worked diligently to see to it not only that our Navy was brought into the nuclear age, but that it was done in a safe and prudent manner.

As the first chairman of the Research and Development Subcommittee of the Armed Services Committee, Mel continued to monitor and advance the state of the art of the nuclear Navy. In his tenure he saw the development and deployment of many classes of nuclear submarines and surface vessels, including the latest generation of nuclear attack submarines and, of course, the Trident submarine.

Mr. Chairman, Trident submarines are now on patrol 24 hours a day, 365 days a year. They, like their nuclear-power sister ships that preceded them, have a perfect record of safety and achievement. They are virtually undetectable by an adversary, and so provide the backbone of our survivable nuclear deterrent. That these ships are as safe, reliable, and effective as they are is a lasting tribute to the efforts of Mel Price over these many years.

That one of them should bear his name is only fitting and proper. I urge my colleagues to join me in supporting this amendment.

Mr. Chairman, as a ranking member of the full committee as well as the ranking member of the Subcommittee on Research and Development of the Committee on Armed Services, I have sat shoulder to shoulder, cheek by jowl with Mel for many years. We have traveled many thousands of miles together in the interests of the Committee on Armed Services and the defense posture of this Nation.

With this passing, I lost a very valued and close personal friend, and from my position of working with him, I have been able to observe his keen intellect and his undying and unflagging efforts on behalf of this country, especially as it relates to nuclear energy and nuclear propulsion of our naval vessels. For this reason, I think it is doubly apt and appropriate that we name the next Trident submarine to come down the ways for this strong proponent of nuclear propulsion and a strong American, and I certainly enthusiastically support this amendment and urge all of my colleagues to do the same.

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

Mr. ASPIN. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, I rise in very strong support of the amendment to name the next Trident submarine for our late colleague, Melvin Price.

The Trident submarine represents the culmination of decades of effort to provide a highly survivable and effective strategic deterrent. The Trident is unsurpassed by any submarine in the world for its stealthiness and, if need be, its lethality. That the Trident is as fine a system as it is, can be directly attributed to the untiring work of our friend, Mel Price.

Congress has authorized 15 of these ships to date. The 16th would be authorized by the committee-reported bill. Eight Tridents are on patrol today, and the ninth, the U.S.S. *Tennessee*, will join the fleet this fall. *Tennessee* will be the first Trident equipped to carry the Trident II missile. This new missile will enable the Trident submarine to reach its full potential as a strategic deterrent system.

Most of the Tridents have been named for States, just as our battleships were many years ago. But the Navy has always been willing to make exceptions to its ship naming conventions for very special people. Four nuclear attack submarines have been named for Members of Congress. So, too, has a nuclear-powered aircraft carrier. The continuing resolution for this year expressed the sense of Congerss that an aircraft carrier should be named for Senator STENNIS. And there is currently on patrol a Trident submarine named for the late Senator from Washington, Henry Jackson.

Mr. Chairman, there would be no more fitting tribute to a man who spent his life in service to the security of this Nation, especially its nuclear Navy, than to name the next Trident submarine for Mel Price. The Navy operates over 170 nuclear reactors at sea every day, and has a safety record in doing so that is unsurpassed by any nation in the world. One of the main reasons why this is so is because of the untiring efforts of Mel Price through his years of service on the Joint Committee on Atomic Energy and the Armed Services Committee.

I urge my colleagues to join with me in this most fitting tribute to a patron of a strong and safe nuclear Navy.

Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, it has been my privilege to serve as chairman of the Subcommittee on Seapower and Strategic and Critical Materials of the Committee on Armed Services and, therefore, the building of the Trident submarine is something that I have put some energy into.

It is particularly appropriate that this new submarine, a Trident, will be named for Mel Price, particularly appropriate because he had so much to do with strengthening the ability of our national defense through nuclear submarines, particularly appropriate because he was chairman of the Joint Committee on Atomic Energy which had to do with all of the strengthening of our country with atomic power, particularly appropriate because of the fact that he was chairman of the Committee on Armed Services for many years.

Before I conclude my remarks, I would like to say something about the character of Mel Price. Mel Price was a man who, though manly in every respect, was a kind and sweet man. He was a man that I never heard ever say anything negative, nasty, mean, bitter, incising at anybody, though many times he had opportunities to do that. I never saw him take an untoward advantage over anyone.

I guess the most touching thing yesterday when I was at his funeral was to hear Bill, his son's letter read. I was present when Bill was born, and I had him in my arms when he was only hours old, and Bill is now an officer of the Air Force, and he said in this letter to someone that every night his dad knelt, despite his very crippling and painful arthritis, and prayed to the Lord every night. That is really touching. That is an intimate part of this man's life.

You can see the effect that it had on his life, because he was a God-like

man. He was a man who thought about things in their ultimate rightness and wrongness.

He did not think about himself as to whether he was going to be a great guy or anything, no ostentation about him, no puffery, no feeling of being on an avalanche about to go over the edge of the cliff or something, all of it composed, trying to think of the strengths of our national defense and our country.

I would say here is a man who came from the beautiful hills of Illinois to this great institution, the Congress of the United States, and never became touched by it in the sense that he felt he was better than anyone else. He was everybody's friend. He helped the little people with their problems. He never even conceived of himself as being something grand or a great potentate because he was chairman of the Committee on Armed Services. All that stuff rolled off his back.

When he was talking to people about problems they had, here on the floor of the House or problems back home or whatever they may be, it was all done in a very human, very down-to-earth tone, and so I feel myself that it is a great honor to give this to Mel Price. He deserves every bit of it.

The real great thing about Mel Price is the fact that despite all of the wonderful things that happened to him, because of his merit he never was touched by it or affected by it. He kept on being just the simple God-given man that he was. So we have all been enriched by his life.

I think this is a very fitting tribute to name this submarine for him.

Mr. ASPIN. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I am told that one of the last pieces of information Mel Price was given at Andrews Air Force Base last week was that there was an amendment being offered by the gentleman from Wisconsin [Mr. ASPIN], and the gentleman from Alabama [Mr. DICKINSON], and the gentleman from Illinois [Mr. ANNUNZIO] to name a Trident submarine the U.S.S. *Melvin Price.*

In talking to people who were in the hospital, Mel Price did understand and did appreciate and had a smile on his face that this amendment would move forward.

I talked to Mrs. Price a couple of days before the funeral about the possibility that Mel Price because of his military record and his service on the Committee on Armed Services was eligible to be buried in Arlington Cemetary. She thought about it but she and her son wanted him to be buried in southern Illinois, which I can certainly understand.

I think this amendment is in order, that we recognize Mel Price for what he has done for our country, and I certainly support this legislation.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, all of us from Illinois are very proud of Mel Price's long service to his country, to this Congress and to his party.

In the accolades and eulogies being paid him, something has been overlooked, and I can understand why. But I do not want to mention it.

In his final years in Congress, he was deposed as chairman of the Committee on Armed Services, and never were the qualities of Mel Price more evident than the grace with which he took that disappointment. He proved himself to be a thoroughbred in every sense of the word, a gentleman in every sense of the word, because the definition of gentleman is grace under pressure. He soared in the opinions of many of his colleagues because of the way in which that disappointment, small though it was in the grand scheme of things, touched him.

He showed us by his example what a real Congressman ought to be, and I will always treasure the years I knew him as will those who had that pleasure, too.

I am delighted we are naming a Trident submarine after him, and I hope when it wears out we will name a second one.

Mr. DICKINSON. Mr. Chairman, I have no further requests for time.

Mr. ASPIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have no further requests for time.

I would like to announce at this point that we cannot ask for a general leave for people to revise and extend until we get back into the House, but it is my intention to ask for general leave. If other Members would have comments that they would like to insert at this point in the RECORD, there will be the opportunity to do that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. ASPIN].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ASPIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 407, noes 0, answered "present" 2, not voting 22, as follows:

[Roll No. 69]

AYES—407

Ackerman	Anthony	AuCoin
Akaka	Applegate	Badham
Alexander	Archer	Baker
Anderson	Armey	Ballenger
Andrews	Aspin	Barnard
Annunzio	Atkins	Bartlett
Barton	Fish	Lewis (CA)
Bates	Flake	Lewis (FL)
Beilenson	Flippo	Lewis (GA)
Bennett	Florio	Lightfoot
Bentley	Foglietta	Lipinski
Berman	Foley	Livingston
Bevill	Ford (MI)	Lloyd
Bilbray	Ford (TN)	Lott
Bilirakis	Frank	Lowery (CA)
Bliley	Frenzel	Lowry (WA)
Boehlert	Frost	Lujan
Boggs	Gallegly	Luken, Thomas
Boland	Gallo	Lukens, Donald
Bonior	Garcia	Lungren
Bonker	Gaydos	MacKay
Borski	Gejdenson	Madigan
Bosco	Gekas	Manton
Boucher	Gephardt	Marlenee
Boxer	Gibbons	Martin (IL)
Brennan	Gilman	Martinez
Brooks	Gingrich	Matsui
Broomfield	Glickman	Mavroules
Brown (CA)	Gonzalez	Mazzoli
Brown (CO)	Goodling	McCandless
Bruce	Gordon	McCloskey
Bryant	Gradison	McCollum
Buechner	Grandy	McCrery
Bunning	Grant	McCurdy
Burton	Gray (IL)	McDade
Bustamante	Gray (PA)	McEwen
Byron	Green	McGrath
Callahan	Gregg	McHugh
Campbell	Gunderson	McMillan (NC)
Cardin	Hall (OH)	McMillen (MD)
Carper	Hall (TX)	Meyers
Carr	Hamilton	Mfume
Chandler	Hammerschmidt	Michel
Chapman	Hansen	Miller (CA)
Chappell	Harris	Miller (OH)
Cheney	Hastert	Miller (WA)
Clarke	Hatcher	Mineta
Clay	Hawkins	Moakley
Clement	Hayes (IL)	Molinari
Clinger	Hayes (LA)	Mollohan
Coats	Hefley	Montgomery
Coble	Hefner	Moody
Coelho	Henry	Moorhead
Coleman (TX)	Herger	Morella
Collins	Hertel	Morrison (CT)
Combest	Hiler	Morrison (WA)
Conyers	Hochbrueckner	Mrazek
Cooper	Holloway	Murphy
Coughlin	Hopkins	Murtha
Courter	Horton	Myers
Coyne	Houghton	Nagle
Crane	Hoyer	Natcher
Crockett	Hubbard	Neal
Dannemeyer	Huckaby	Nelson
Darden	Hughes	Nichols
Daub	Hunter	Nielson
Davis (IL)	Hutto	Nowak
Davis (MI)	Hyde	Oakar
de la Garza	Inhofe	Oberstar
DeFazio	Jacobs	Obey
DeLay	Jeffords	Olin
Dellums	Jenkins	Ortiz
Derrick	Johnson (CT)	Owens (NY)
DeWine	Johnson (SD)	Owens (UT)
Dickinson	Jones (NC)	Oxley
Dicks	Jones (TN)	Packard
Dingell	Jontz	Panetta
DioGuardi	Kanjorski	Parris
Dixon	Kaptur	Pashayan
Donnelly	Kasich	Patterson
Dorgan (ND)	Kastenmeier	Pease
Dornan (CA)	Kennedy	Pelosi
Dowdy	Kennelly	Penny
Downey	Kildee	Pepper
Dreier	Kleczka	Perkins
Durbin	Kolbe	Petri
Dwyer	Kolter	Pickett
Dymally	Konnyu	Pickle
Dyson	Kostmayer	Porter
Early	Kyl	Price
Eckart	LaFalce	Pursell
Edwards (CA)	Lagomarsino	Quillen
Edwards (OK)	Lancaster	Rangel
English	Lantos	Ravenel
Erdreich	Leach (IA)	Regula
Espy	Leath (TX)	Rhodes
Evans	Lehman (CA)	Ridge
Fascell	Lehman (FL)	Rinaldo
Fawell	Leland	Ritter
Fazio	Lent	Roberts
Feighan	Levin (MI)	Robinson
Fields	Levine (CA)	Rodino

Roe	Slaughter (VA)	Torres
Rogers	Smith (FL)	Torricelli
Rose	Smith (IA)	Towns
Rostenkowski	Smith (NE)	Traficant
Roth	Smith (NJ)	Traxler
Roukema	Smith (TX)	Udall
Rowland (CT)	Smith, Denny (OR)	Upton
Rowland (GA)	Smith, Robert (NH)	Valentine
Roybal	Smith, Robert (OR)	Vander Jagt
Russo	Snowe	Vento
Sabo	Solarz	Visclosky
Saiki	Solomon	Volkmer
Savage	Spratt	Vucanovich
Sawyer	St Germain	Walgren
Saxton	Staggers	Walker
Schaefer	Stallings	Watkins
Scheuer	Stangeland	Waxman
Schneider	Stark	Weber
Schroeder	Stenholm	Weiss
Schuette	Stratton	Weldon
Schulze	Studds	Wheat
Schumer	Stump	Whittaker
Sensenbrenner	Sundquist	Whitten
Sharp	Sweeney	Williams
Shaw	Swift	Wilson
Shays	Swindall	Wise
Shumway	Synar	Wolf
Shuster	Tallon	Wolpe
Sikorski	Tauke	Wyden
Sisisky	Taylor	Wylie
Skaggs	Thomas (CA)	Yates
Skeen	Thomas (GA)	Yatron
Skelton		Young (AK)
Slattery		Young (FL)
Slaughter (NY)		

ANSWERED "PRESENT"—2

Bateman Bereuter

NOT VOTING—22

Biaggi	Ireland	Ray
Boulter	Kemp	Richardson
Coleman (MO)	Latta	Spence
Conte	Mack	Stokes
Craig	Markey	Tauzin
Duncan	Martin (NY)	Wortley
Emerson	Mica	
Guarini	Rahall	

□ 1139

Mr. CLAY changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 1140

PERSONAL EXPLANATION

Mr. CONTE. Mr. Chairman, I missed the last rollcall. Had I been present, I would have voted "aye."

The CHAIRMAN pro tempore (Mr. GRAY of Illinois). It is now in order to debate the subject matter of the ABM Treaty.

Pursuant to the rule, the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 15 minutes and the gentleman from Alabama [Mr. DICKINSON] will be recognized for 15 minutes.

The Chair recognize the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, I would like to get clarification from the Chair. We have 15 minutes on our side, and the gentleman from Alabama [Mr. DICKINSON] has 15 minutes.

The CHAIRMAN pro tempore. The gentleman from Wisconsin is absolutely correct.

Mr. ASPIN. Mr. Chairman, I would like to explain a little bit about the amendment.

The ABM Treaty is a very important subject.

What we are doing in this bill is the limitations on the SDI testing related to the narrow interpretation of the ABM Treaty, and let me explain what we are doing here because this is little different than the bill we had on the floor last year.

Last year in the House Armed Services Committee bill that came on the floor, there was language that said that no money in this bill shall be spent for anything other than any test, SDI test, that does not conform to the narrow interpretation of the ABM Treaty. In the conference with the Senate and worked out with the administration, what we did was to say that we drop all language to the ABM Treaty entirely. We dropped any language about broad versus narrow. What we said was that the administration had presented a plan for the tests that they were going to conduct in fiscal year 1988, and we authorized the conducting of those tests, and we agreed with those tests. We in the bill were authorizing money for those tests. What it did was in fact conform to the narrow interpretation of ABM without saying that it was conforming to the narrow interpretation because in fact the administration had no plans in fiscal year 1988 to conduct any test that was inconsistent with the narrow interpretation of ABM.

Mr. Chairman, we find ourselves in a similar position here today. The administration has no plans to conduct in fiscal year 1989 any test that is inconsistent with the narrow interpretation of ABM. Therefore, it seems to me that this issue is moot. I would have liked to have offered in the full committee language that says we approve and authorize in this bill the testing program that the administration says they are going to conduct. Their report an SDI was not up. We did not have the kind of documentation at that time that would have permitted us to offer the amendment that I am offering today.

The amendment that I am offering today is effect says that we are authorizing the expenditure of funds consistent with the program that the administration has laid out, the SDI testing program that the administration has laid out. It does not, therefore, refer to the ABM Treaty in any way, shape or form. It does not talk about narrow, it does not talk about broad, but what we are saying here is that the administration had laid out a particular set of SDI tests, and we are approving that set of tests.

□ 1145

Mr. DICKINSON. Mr. Chairman, I yield such time as he may consume to the very distinguished gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Chairman, as we begin debate on four consecutive arms control amendments to the Defense Department authorization bill, I challenge my colleagues to reassess your historical arguments on arms control and ask yourself what do the American people expect of you.

In the early 1980's we had a much different arms control debate than we do today. Many of our colleagues argued emotionally that, this administration, this President—Ronald Reagan—was incapable of arms control.

Others among us believed just the opposite. We believed the President was committed to arms control, but arms control based upon "peace through strength."

This development produced a split in Congress between believers and nonbelievers. What then emerged in the mid-1980's was a holy war of arms control. Arms control crusaders mounted their offensive against the President, attacking him relentlessly for his supposed failure to engage in meaningful arms control with the Soviet Union.

First came the nuclear freeze resolutions in 1982, 1983, and 1984. Then came the nuclear testing moratorium in 1985. Adherence to SALT II, the ABM Treaty and Asat moratoriums soon followed. While the nuclear freeze was eventually defeated—SALT II, ABM, nuclear testing and Asat remained, and their supporters pressed a besieged administration.

What has the President done as his administration struggled to defend itself from the onslaught of the arms control crusaders? He did the unthinkable, the unbelievable. He began to engage the Soviets on a wide variety of meaningful arms control negotiations and issues.

From 1986 on, United States-Soviet arms control efforts began to gain momentum across a variety of fronts. Today our Nation, our Government, our President, is involved in negotiations on strategic offensive systems, chemical weapons, conventional forces, space and defensive issues, and nuclear testing.

In this same period our Government and our President signed the INF agreement, as well an agreement on security and confidence building measures in Europe. Our negotiators in Geneva are now at this very moment working at a frenzied pace on a possible START agreement.

This turn of events has had a traumatic effect on the arms control crusaders. The fundamental tenet upon which they built their attack has been proven untrue!

President Reagan is committed to arms control and he has proved it convincingly. Don't you agree?

One would think that the arms control observers would breathe a sigh of relief, and if not converted, they would at least halt their onslaught while the

President pursued his negotiations with the Soviet Union.

Such has not been the case. Oblivious to these events, many of these true believers have been unable to recognize these new realities. Sometimes I think that they have become so intertwined with their own issues, they are unable to abandon them when they become irrelevant, even counterproductive to our Nation's security.

This is where we find ourselves today. Some of the amendments being offered today are 3 years old. The gentleman from Washington wants to force the United States to adhere to the SALT II sublimits—a treaty long since expired, never ratified, and repeatedly violated by the Soviet Union.

Tomorrow morning a fourth generation ban on Asat systems will be offered. Also, Mr. GEPHARDT, with our colleagues MARKEY, DOWNEY, and SCHROEDER in the wings, will offer a 2-year-old amendment banning all but the very smallest nuclear tests.

Why are we doing this to ourselves? Does this contribute to our Nation's security? Or is it simply an opportunity to bash an old foe, President Reagan. Is this worthy of your vote today?

I would like to stress that a vote for these amendments can no longer be seen as a vote for arms control. Voting against these amendments is now a simple statement of support for arms control properly negotiated—not by Congress—but by the President.

Let me make on final point. I have now been in Congress for over 30 years. I think my colleagues who know me well would agree that I have always been a straight shooter willing to be bipartisan whenever I could.

As you all know I had three amendments to the ABM Treaty language offered by Mr. ASPIN, the SALT II language nuclear testing amendment. My amendments weren't very tricky. They weren't antiarms control. They merely stated support for the current arms control negotiations in Geneva by our government. In other words they gave Members a simple choice supporting the President's arms control efforts. The majority amendments endorse an out of date, highly political arms control agenda.

Unfortunately for all of us, the arms control crusaders among us feel threatened by my amendments. As a result, the rule under which we are debating this bill established a procedure for all of the arms control amendments which would make offering mine a meaningless exercise.

That is a sad commentary on my colleagues who say they support arms control.

Mr. Chairman, the fact is, today's ABM and SALT II amendments have long since been overtaken by events. It's time to put them out of their misery.

Let us all support genuine, bipartisan arms control as espoused by our President, not the political pet rocks that we have before us now.

Mr. ASPIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to engage in a little bit of dialog with the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. I would be happy to.

Mr. ASPIN. I understand what the gentleman is saying about the SALT II amendment and the Asat amendment and the nuclear testing amendment. The amendment we are dealing with right here is, of course, the issue of the ABM Treaty.

I would like to question the gentleman's opposition to this amendment. As I say, I try to word this amendment in an inoffensive way. All we are saying in this is that we approve of the testing program that the administration has laid out before our committee and before the Senate as to what they want to do. We are just saying that we agree with that. That is all we are saying in this amendment.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, I am happy the chairman of the Armed Services Committee asked this question. In response to the gentleman from Wisconsin, I would like to remind my colleagues that the administration has formally certified in the arms control impact statements as well as the report for Congress on the strategic defense initiative that the SDI Program is in full compliance with the legal obligations of the United States under the ABM Treaty.

Most importantly, the Aspin amendment is simply another one-sided attempt to compel the United States to selectively adhere to the narrow interpretation of the 1972 ABM Treaty without any attempt to address the current violations of this same treaty by the Soviet Union.

At this time the Soviet Union has the world's only operational ballistic missile defense system and it has had, for over a decade, an operational antisatellite system. The Soviets have continued to upgrade their present strategic defenses and are currently pursuing a robust research and development program for a national strategic defense system. Furthermore, the Soviets may be laying the ground work to break-out of the ABM Treaty, which they are presently violating and that includes the Krasnoyarsk radar in Siberia. Overall, the effect of the Aspin amendment would be to ensure an unequal standard of compliance with treaties signed with the Soviet Union and to convince the Soviet Union that concessions can be expected from the Congress beyond those agreements negotiated in Geneva.

The United States and Soviet negotiating teams on defense and space issues have been instructed by President Reagan and General Secretary Gorbachev to work toward a defense and space agreement. On January 15, 1988, the Soviets tabled a proposed defense and space agreement in the form of a protocol to the START Agreement. On January 22, 1988, in Geneva, the United States presented a defense and space treaty draft which sought to build upon elements of agreement reached at the Washington summit. Finally, the Soviets recently responded by proposing a new draft treaty on space arms at the ministerial meetings in Moscow.

I believe that there is no reason to believe that a defense and space treaty cannot be developed in Geneva as both sides have been directed to do. The next step is to merge United States and Soviets draft texts into a single draft text as was done during the negotiation of the INF Treaty, which this House has unconditionally supported. Such efforts can form the basis for further discussions on unresolved issues over the next several months both in Geneva and at the Moscow summit.

No legislative policy of selective adherence to a treaty should be a substitute for agreements the United States is pursuing with the Soviet Union in Geneva. In short, we should not encourage the Soviet Union to expect unilateral concessions from the Congress beyond those concessions mutually agreed upon in the Geneva negotiations. By passing this amendment, I believe that we complicate the Geneva process by removing a certain amount of diplomatic leverage which can be exerted at the negotiating table not only in regard to the achievement of Soviet compliance with the ABM Treaty but also in relation to the attainment of a new and meaningful agreement on defense and space issues.

For these important reasons, I urge my colleagues to oppose the Aspin amendment.

Mr. ASPIN. Well, I would say to the gentleman, we are not doing anything about the negotiation process. All we are saying is that the administration came over at the beginning of this year and laid out what tests they planned to do under SDI. We are saying, "OK. We have looked it over. We have no problems with those tests. We are authorizing those tests."

We are not saying anything about the ABM Treaty. We are not saying anything about narrow interpretation or anything about broad interpreta-

tion. We are just saying we approve of the administration's request.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I was yielding to the gentleman from Michigan, but I will yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I would like to say to the distinguished chairman, I think this is significant, because this position is the ABM amendment that was offered by the chairman initially in committee and he deleted it in committee. It is interpreted by the Soviet Union as being a restraint that has been posed by this Congress to the President.

I think one event has happened that makes this absolutely wrong with regard to our position vis-a-vis the Soviet Union. We voted last year unanimously in the House of Representatives that the Soviet Union is violating the ABM Treaty.

Mr. ASPIN. Well, if I could take back my time, we are not saying anything in my amendment about the ABM Treaty. We are saying that for the request that the administration has sent over, we are approving it. We are saying, "OK. We have looked at that. We have no objection to those tests. We are approving it."

It is certainly no more than saying what we are doing is limiting the program. The administration is making a request for ships and planes and tanks and we saying OK, this is what we approved.

Mr. HUNTER. Mr. Chairman, will the gentleman yield further?

Mr. ASPIN. I yield to the gentleman from California.

Mr. HUNTER. The administration did not offer any programs this year that fit within the broad interpretation of ABM Treaty, so what the gentleman is really saying is that these programs are appropriate this year.

Mr. ASPIN. All I am saying, it is a moot issue.

Mr. HUNTER. I understand, but we are saying that we think these programs by the administration being in the narrow interpretation of ABM Treaty are appropriate this year.

The message that still goes to Moscow is that Congress is commenting on the interpretation of the ABM Treaty. They are going to interpret this as a narrow ABM Treaty.

Mr. ASPIN. Well, they have no reason to do it. It was an adequate compromise last year. It seems to me it is an adequate compromise this year.

Mr. HUNTER. Then why is the chairman offering it?

Mr. ASPIN. Because it was the compromise from last year. We have a number of people on our side who believe that we ought to have language in there that says that nothing in this bill shall be other than the narrow interpretation of ABM Treaty.

The people on your side of the aisle believe that is wrong, that in fact what we ought to do is have Congress go on record as saying that Congress is in favor of the broad interpretation of ABM Treaty.

What I am doing in this amendment is in effect offering the compromise from last year which in effect does not say one way or the other about the ABM Treaty, because in effect the issue is not addressed in this bill.

The administration does not have a request for any broad interpretation tests in fiscal year 1989. That draws the issue. So therefore I am saying the best way to do it is to put the issue by approving the amendment that I am offering.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Ohio.

Mr. KASICH. The chairman knows that this was an agreement not to disagree at this point between the administration and the Congress. The administration knows it cannot push a broad interpretation through, so it wanted to see how things were going to develop politically in the Congress.

You Members are in the same position. You cannot pass anything through that institutes a narrow interpretation of the treaty, or the President will veto it; so the deal was the administration will not conduct any tests that go beyond the strict interpretation.

Now, by putting language in here, Mr. Chairman, what the gentleman is in essence doing is saying that we are establishing a precedent that Congress is clearly sending a message that we today believe we ought to stay within the strict interpretation of the treaty.

I am saying that is not an act of good faith to this administration.

Mr. ASPIN. I would point out to the gentleman that the language in this amendment lasts for 1 year. It is fiscal year 1989 money.

The limitation says we approve the SDI testing laid out by the administration applies only to 1 year. All of us understand that we are kicking the can down the road and that eventually, depending on who gets elected in the fall, and what they want to do with narrow versus broad interpretations and other things. We are not saying that this issue amendment settles it forever. All we are saying is that, like in 1987 it settled it for 1988, we are proposing that we settle it this year for 1989 in the same way.

Mr. KASICH. But let me ask the chairman, what is the need to offer this language, if the test program submitted by the administration stays clearly within the strict interpretation?

□ 1200

Mr. ASPIN. Otherwise we would have an amendment on this side that would explicitly mention the ABM and have a narrow interpretation, and we would end up back in conference back where this thing is all together. In other words, what I am saying is we can short-circuit the process by passing the compromise originally that is what I was trying to do and I am a little concerned as to why my colleagues do not like it.

Mr. KASICH. If the gentleman would continue to yield, what the chairman would say is that this is his effort to not pass judgment on a strict or broad interpretation of the treaty.

Mr. ASPIN. Because I anticipate this is an issue that will be decided not this year, but by the election that will take place in November and what the next administration wants to do, and at some point whether between now and then something is worked out in START. There are a lot of things that could happen and will happen between now and when we address the issue again next year. There will be a chance to sign a START Agreement. There will be a new administration. There will be a new Secretary of Defense. The world will be different a year from now when we meet here to discuss the bill.

All I am saying is that there is no reason to fall on our swords.

I would like to agree with the gentleman on your side of the aisle that it is probably not a very good idea to pass on the floor of the House of Representatives right now, which I think there are the votes to do, language saying that we will abide by the narrow interpretation of the treaty.

Mr. KASICH. There will not be an attempt to pass that on the floor because it will be vetoed.

Mr. ASPIN. I agree with the gentleman on that but I have no doubt if that amendment were offered the votes are here on the floor to pass it.

I am trying to help a little bit by offering the compromise up front and I am a little disturbed that my colleagues on your side are not conceding the opportunity that I am offering.

Mr. KASICH. If the gentleman would continue to yield, I would certainly like to compliment the chairman for his very balanced approach in trying to forestall the offering of an amendment that permanently locks in this House to saying we are under a strict interpretation. I also have to say to the chairman that he must understand that we feel strongly that this House should not go on record at any point in time saying that we have a strict interpretation of the treaty that the negotiators say we never had. I appreciate the gentleman from Wisconsin's moderate approach to this.

Mr. ASPIN. If the gentleman from Michigan [Mr. BROOMFIELD] and the gentleman from Ohio [Mr. KASICH] and the gentleman from California [Mr. HUNTER] would only understand that I am trying to help them, I am doing my very best to help them.

Mr. BROOMFIELD. I know that.

Mr. ASPIN. The gentleman from Ohio [Mr. KASICH] and the gentleman from California [Mr. HUNTER] want to kick off a fight here that they are not going to win. I am trying to offer them a nice way so that we can avoid that fight because I think that it is in the general interest of the United States, and the President is going to meet with Mr. Gorbachev at the end of the month of May, and I think it is advantageous to avoid that fight. I am trying to help the gentleman from Ohio [Mr. KASICH] and the gentleman from California [Mr. HUNTER] and for some reason they do not seem to want my help. But I am going to help them.

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

Mr. DICKINSON. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. HYDE], a very distinguished member of the Committee on Foreign Affairs.

Mr. HYDE. Mr. Chairman, I thank the gentleman from Alabama [Mr. DICKINSON] for yielding me this time.

Mr. Chairman, the gentleman from Wisconsin [Mr. ASPIN], the distinguished chairman of the Committee on Armed Services, has made a compromise with the ultraliberal Members of his caucus and that is their compromise. It is not a compromise with the Republican side of the aisle.

As I look at this amendment, it is utterly fascinating. Let me say that the chairman presiding over this hearing of the Committee of the Whole said that this was an important issue. Golly, 15 minutes to a side to debate an important issue? That is really outrageous, because it is an important issue. We spend more time on the baseball game between the House and the Senate than we do on how we are going to interpret a treaty and issues of war and peace.

Nevertheless, I read the amendment of the chairman and it says:

> The funds described in paragraph (1) may not be obligated or expended for any experiment, test, or purchase of equipment that is inconsistent with the 1988 testimony of the Undersecretary of Defense for Acquisition.

Talk about micromanaging. That is getting it down to a science where the testimony of the Under Secretary for Acquisition is the touchstone, is the standard by which our negotiators at Geneva may negotiate. This is a unilateral damaging restriction on our negotiators.

May I ask what are we getting for it? Are they going to dismantle Krasnoyarsk? Are they going to stop encrypting telemetry? Do we get another tour of the Bolshoi Ballet? Are we getting a couple of cases of Stolichnaya?

Nothing. We get nothing. We get nothing but restrictions on ourselves, self deprivation of leverage from our negotiators whom we ought to let negotiate rather than having us kibbutzing over their shoulders with the chains and the restraints for our side. It is nonsense.

Mr. ASPIN. Mr. Chairman, will the gentleman from Illinois yield to me?

Mr. HYDE. I am happy to yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, I would like to ask the gentleman from Illinois, that obviously he feels that he is not on strong ground here but let me ask him this.

Mr. HYDE. Wrong. Wrong right away. The gentleman from Wisconsin is wrong.

Mr. ASPIN. First of all, let me point out that the radical ultraliberal that we negotiated this deal with was the Secretary of Defense in the Reagan administration, Mr. Carlucci.

Mr. HYDE. Let me point out one thing.

Mr. ASPIN. The gentleman from Illinois is not letting me talk.

Mr. HYDE. All right.

Mr. ASPIN. Let me just make my point. This was a deal worked out with Mr. Carlucci, the Secretary of Defense, Mr. Reagan's Secretary of Defense, in a compromise last year.

Mr. HYDE. The gentleman has made his point. I do not have a lot of time, because we have only been given 15 minutes in this great rule, in this citadel of democracy, to debate this matter.

Mr. HUNTER. Mr. Chairman, will the gentleman from Illinois yield to me?

Mr. HYDE. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman from Illinois for yielding. I want to point out that on May 7 last year this House voted unanimously that the Soviet Union is violating the ABM Treaty, and I would like to also point out that Mr. Carlucci also made a deal for $800 million for MX rail mobile, and $200 million for Midgetman, and that did not keep the gentleman from Wisconsin [Mr. ASPIN], the chairman of the Committee on Armed Services, from upsetting that delicate balance that was agreed to in that provision.

Mr. HYDE. Mr. Chairman, reclaiming my time, whatever kind of deals the gentleman from Wisconsin [Mr. ASPIN] has made with Mr. Carlucci, they are the result of Mr. Carlucci's ability to count. He knows that the majority has the votes to do anything they want, and the gentleman from Wisconsin's instinct for moderation is only keeping this from being the gratification of the senior Senator from Georgia's territorial imperative to define the treaty. Never mind the President has the right to interpret a treaty. We must yield to the upper body, the other body, the upper Chamber, and the gentleman from Wisconsin is facilitating that in a very clever way. But be that as it may, it just seems to me when one restricts our negotiators, we become hampered. I would ask the gentleman from Wisconsin, why does he not do something to the other side for a change instead of restricting our negotiators?

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. HYDE. Mr. Chairman, I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, I would like to know how it is we restrict our negotiators if we write language in here approving the SDI tests that the administration wants to conduct? They have laid out their tests and we are saying in this language that we agree with that.

Mr. HYDE. The precedent being set by this is very bad, it is unnecessary and deprives our negotiators of essential flexibility.

Mr. ASPIN. Mr. Chairman, I yield myself such time as I may consume.

It seems hard to me to understand why approving the SDI testing program laid out by the administration, why that is binding our negotiators in Geneva. That is a big mystery to me.

Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Chairman, I would like to say that Shakespeare once wrote a play entitled "Much Ado About Nothing." This amendment as I understand is merely reflecting what the testimony is and what the desire of the administration is. This is avoiding a major attempt to rewrite a treaty, to redefine a treaty. It is specifically on target on just what the administration wants. I see no big problem with this. As a matter of fact the gentleman from Wisconsin [Mr. ASPIN] is actually doing a favor to this body so that there will be no debate on something that probably should be put off until next year.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I am happy to yield to the gentleman from Illinois.

Mr. HYDE. Is there some theological reason we cannot give flexibility to our negotiators?

Mr. SKELTON. This in no way restricts the negotiators. This is merely what the testimony is reflective of from the Secretary of Defense. That has nothing whatever to do with negotiations in Geneva. The one is separate from the other.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, I appreciate what the gentleman from Wisconsin [Mr. ASPIN] is trying to do in attempting to prevent the offering of a more radical amendment. It is onerous to us, however, to accept a move right now to at any point in time try to define this treaty under a strict interpretation. Our coming forward and offering language that stays within the strict interpretation of the treaty, it seems to me, is the wrong signal to send to our negotiators, and everybody around the world. The wrong signal is that we will adopt any language now that imposes a strict interpretation. As the gentleman from Wisconsin [Mr. ASPIN] knows, the administration has been engaged in very delicate talks with the Soviets involving the kind of tests that ought to be conducted. For the House of Representatives at this point to go on record as favoring a strict interpretation is the wrong message to send.

Mr. Chairman, I appreciate the gentleman from Wisconsin trying to stop somebody from offering something even worse, such as a permanent strict interpretation, but the simple fact of the matter is that it would not pass. If somebody wants to offer it, let him go ahead and offer it.

Let us reject this amendment and accept the administration's good faith on tests within the strict interpretation.

Mr. DICKINSON. Mr. Chairman, I yield myself the balance of my time.

Let me say by way of explanation, Mr. Chairman, that we made an arbitrary decision, an arbitrary agreement at the beginning of the presentation to the Committee on Rules. The chairman of the Committee on Armed Services and I made that agreement in consultation with others including the Committee on Foreign Affairs that this was an issue that had been debated in substance and at length in other sessions of the Congress, and in conference, and we thought 30 minutes might be an adequate time. I did not know the final form and shape that the chairman's amendment would take and I did not learn of it until today. The gentleman from Wisconsin [Mr. ASPIN] has stated correctly that we did have this agreement in concert, in conference, and in consultation with Mr. Carlucci last year as to the conference report. What he has offered does not abrogate that agreement, but as a matter of policy and principle I would have to oppose the amendment simply because he wants to tie the administration's future actions to the testimony of one Under Secretary in one statement on one day. I think that is the wrong way to do business.

The CHAIRMAN pro tempore (Mr. GRAY of Illinios). It is now in order to consider the amendments relating to the ABM Treaty printed in section 1 of House Report 100-579, by, and if offered by, the following Members or their designees, which shall be considered in the following order only:

(A) By Representative BROOMFIELD; and

(B) By Representative ASPIN.

Each amendment shall be in order even if amending portions of the amendment in the nature of a substitute, as modified and as amended, are already changed by amendment. If more than one of said amendments is adopted, only the last such amendment which is adopted shall be considered as finally adopted and reported back to the House.

Mr. BROOMFIELD. Mr. Chairman, I will not offer my amendment.

AMENDMENT OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairman, pursuant to the rule, I offer an amendment.

The CHAIRMAN pro tempore. (Mr. GRAY of Illinois). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ASPIN: Page 19, after line 18, insert the following new section:

SEC 212. LIMITATION ON EXPERIMENTS AND TESTS DURING FISCAL YEAR 1989.

(a) USE OF FUNDS.—(1) Funds appropriated to the Department of Defense for fiscal year 1989, or otherwise made available to the Department of Defense from any funds appropriated for fiscal year 1989 or for any fiscal year before fiscal year 1989, shall be subject to the limitations prescribed in paragraph (2).

(2) The funds described in paragraph (1) may not be obligated or expended for any experiment, test, or purchase of equipment that is inconsistent with the 1988 testimony of the Under Secretary of Defense for Acquisition.

(3) The limitation under paragraph (2) shall not apply to funds transferred to or for the use of the Strategic Defense Initiative for fiscal year 1989 if the transfer is made in accordance with section 901 of this act and any comparable provision in legislation appropriating funds for military functions of the Department of Defense for fiscal year 1989.

(b) DEFINITION.—As used in this section, the term "1988 testimony of the Under Secretary of Defense for Acquisition" means the record version of the testimony (captioned "Statement on the Defense Acquisition Process and SDI") by the Under Secretary of Defense for Acquisition before the Subcommittee on Strategic Forces and Nuclear Deterrence of Committee on Armed Services of the Senate on April 18, 1988.

The CHAIRMAN pro tempore. Under the rule, the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 5 minutes, and any Member opposed will be recognized for 5 minutes.

The gentleman from Alabama [Mr. DICKINSON] will be recognized for 5 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Chairman, I appreciate the gentleman from Wisconsin [Mr. ASPIN] yielding me this time.

Mr. Chairman, I rise in support of this amendment, but let me say something soberly about the amendment. Very simply, this amendment does nothing more than confirm what the administration said it would do; it confirms what the Deputy Secretary of Defense, Dr. Costello, has said that this administration intends to do during the next fiscal year and that is abide by the traditional interpretation of the ABM Treaty.

□ 1215

We have had a lot of brouhaha about what the traditional interpretation of the ABM Treaty is. It has been implied that it sprang from the mind of Senator SAM NUNN. In truth, what we are talking about is the interpretation of the ABM Treaty that has been taken by every President, every administration, since the ABM Treaty was ratified in 1972 up until October of 1985 when this administration indicated that it changed its mind about what the treaty meant.

It is the interpretation diligently explained to the other body when the treaty was ratified. It is the interpretation that every principal who participated in the negotiating process has supported with the single exception of Mr. Nitze, and his position today conflicts with the position that he publicly expressed in 1978.

What is that interpretation? Basically, in a nutshell it runs as follows: Article V says, "Each party undertakes not to develop, test, or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based." Taken on its face, this article V taken from the heart of the treaty rules out the development of mobile and space-based systems and components. However, Agreed Statement D of the treaty can be read to imply that the ban on development and testing of space-based ABM systems or components applies only to technologies based on physical principles other than those used in 1972.

In Agreed Statement D, the United States and U.S.S.R. said "that in the event that ABM systems based on other physical principles are created in the future, specific limitations would be subject to discussion and to agreement." Members can make the interpretation that Agreed Statement D permits the development of other systems, mobile and space-based systems, if they are based on other physical principles, but this interpretation can only be made if Members totally ignore the testimony of all those who took part in the ratification process, and only if the legislative history is ignored. Senator NUNN has clearly indicated his position on this.

I support this amendment for several reasons. First of all, it upholds the interpretation of the treaty which is clearly correct. Second, it upholds the treaty which still serves this country's interests, and six former Secretaries of Defense made a joint statement in March of 1987 saying that "the ABM Treaty makes an important contribution to reducing the risk of nuclear war."

The President's own Scowcroft Commission singled out the ABM Treaty as one of the most successful arms control agreements, and they called it, in their words, "critical to further arms control agreements."

Mr. DICKINSON. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding me this time.

To reply to the gentleman from South Carolina, since the debate last year, everyone in this House who was present and prudent, including the gentleman from South Carolina voted to confirm that the Soviets are in violation of the ABM Treaty.

Beyond that, our main negotiator on this issue, Mr. Paul Nitze, came back and said to us, "I tried to get the Soviet Union to agree to the narrow interpretation of the ABM Treaty and they would have none of it," and now the more liberal Members in the House of Representatives would force an interpretation on our President that was not agreed to by the Soviets. That is the heart of the matter. Here are Mr. Nitze's precise words, and I quote:

> I remain convinced that though the U.S. negotiators, including me, attempted to achieve a ban on the development and testing of space-based and other mobile devices capable of substituting for ABM components, we failed to do so with the degree of certainty that is necessary for important international agreements. All we achieved in a form the Soviets would consider binding on themselves was a ban on deployment, not on the creation of such systems and components."

The other side of the aisle is really disservicing the President here. We attempted to achieve a narrow interpretation of the ABM Treaty with the Soviet negotiators, and they refused. They told Mr. Nitze no, and he goes on to say that one reason they gave is, to paraphrase, because, "We do not know much about these new technologies, and we cannot go ahead with a ban on something that we do not fully comprehend at this time because we have not tested out these technologies. We are in the dark as to what promise they hold."

So Mr. Nitze was either completely out to lunch on this thing, which has to be the argument from the left side, did not know what he was doing, had a complete lapse of memory, or we are forcing on our own President a narrow interpretation that the Soviets themselves rejected.

I think it is absolutely detrimental to our defense policy and our President's position for us to go against him at this time when these negotiating points are very important elements for him to go to Moscow with so we can achieve some lasting agreements from a position of strength.

Mr. ASPIN. Mr. Chairman, I would like to point out that the gentleman in the well keeps arguing against an amendment that is not being offered.

Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, the gentleman from Wisconsin [Mr. ASPIN] is absolutely correct. This amendment has a very narrow limitation. For 1 year it preserves the traditional interpretation of this agreement, because it is the work plan of the administration not to go beyond that limit.

I want to say that I feel very strongly that this amendment and the next amendment, when put together, will help us preserve the existing arms control regime until we make progress in the START talks, and on the space and defensive side.

I think that this is fundamentally important to whoever is the next President of the United States, to preserve our existing arms control structure. Several years ago the administration changed its position and tried to unilaterally change the ABM interpretation and then said, as a matter of policy, that they would in fact live by the narrow interpretation.

I think that is clearly the understanding that was made to the U.S. Senate during the ratification debate. Senator NUNN went back with exhaustive hearings and looked at this issue and found that that was, in fact, the correct interpretation of the agreement.

I think we ought to stay with it. I think there is consensus on that point.

Mr. DICKINSON. Mr. Chairman, I yield the balance of my time to the distinguished orator, the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I thank the distinguished gentleman for yielding me this time, and I would like to address my very distinguished colleagues.

The gentleman from South Carolina [Mr. SPRATT] pierced through the subterfuge that we are not talking about the narrow interpretation of the ABM Treaty, that this is a compromise we are talking about. Here is what the gentleman from South Carolina [Mr. SPRATT] said: "The Senate is master, supreme interpreter of treaties notwithstanding what the Constitution says."

One of the amazing characteristics of liberal Democrats of which I stand in awe is their ability to transform themselves from expansive constructionists to strict constructionists depending on the situation. When Judge Bork was running through his ordeal by fire in the Senate, the notion of strict construction or original intention was anathema; the progressive, liberal moderate way to interpret the Constitution relies on penumbra, which implies constitutional rights, the Constitution as silly putty, in other words, but now when we get to the ABM Treaty, oh, we are strict constructionists, none of this expansive stuff for us.

That is fascinating and, of course, the Civil Rights Act of 1964 has to be expansively interpreted, and I understand that, but we latter-day "Founding Fathers" are going to obliterate the right of the President to interpret a treaty; all branches of Government are equal, some are just more equal than others.

The Soviets have massively violated the ABM Treaty, so how do we penalize them? Put shackles on ourselves. Someone once said our foreign policy is like a dog with a schizophrenic problem, barks at our friends, wags its tail at our enemies, and that is precisely what this amendment does.

It is not necessary. It only restricts our Government. It is unilateral disarmament of a serious sort. It is nuclear masochism, lousy strategy, poor tactics and, believe it or not, it is even bad politics.

Mr. ASPIN. Mr. Chairman, I yield my remaining 1 minute to the gentleman from Washington [Mr. CHANDLER].

Mr. CHANDLER. Mr. Chairman, I rise in support of the Aspin amendment. Nearly every major U.S. arms control official under the past two Republican administrations and one Democratic administration have agreed that the stricter interpretation is appropriate.

So I am not going to debate the issue of what this "Agreed Statement" means, or what that phrase implies.

The fact is that when the Senate ratified the ABM Treaty it was given the "strict" interpretation by the people who negotiated it. Based on that information, the Senate decided to support the treaty.

I believe that if we are going to keep making the kind of progress in arms control we saw with the signing of the INF Treaty, we are going to have to support our negotiators.

This means we in Congress have no business unilaterally negotiating arms control agreements, tying the hands of our able negotiators. But it also means we must honor our past agreements.

I believe that the key to a successful arms control policy will be a consistent and unified stand by the United States and our European allies.

So last year, I wrote to President Reagan urging him not to make any changes in the ABM Treaty until Congress and our NATO allies were thoroughly consulted. It is now clear that there is no consensus for changing the interpretation of the treaty.

For these reasons I support the Aspin amendment.

Mr. FAZIO. Mr. Chairman, I rise in strong support of the amendment offered by the chairman, Mr. ASPIN. It is a modest amendment. Put very simply, the amendment seeks to put into law what the administration has testified before the Congress that it will do with respect to development and testing of components and systems under the strategic defense initiative in fiscal year 1989. The administration has stated that its tests associated with SDI will not violate the traditional interpretation of the ABM Treaty, and this amendment simply ratifies that understanding.

The ABM Treaty has made a valuable contribution to strategic stability by averting the proliferation of offensive missiles. The last four administrations have supported this so-called traditional or strict interpretation of the treaty, and that is clearly the correct interpretation of this important arms control agreement. The ABM Treaty has created a significant degree of predictability in the strategic defense arena and it must be preserved.

Specifically, the ABM Treaty prohibits the development, testing or deployment of sea-based, air-based, space-based, or mobile land-based ABM systems and components based on exotic physical principles—article V and Agreed Statement D. By restricting the testing, development and deployment of ABM systems and components, the treaty eliminates what would surely be enormous pressure to build additional offensive forces to overwhelm whatever limited defenses both the Soviets and the United States could deploy.

And, Mr. Chairman, I think the record is fairly convincing on the point that it is far easier and less expensive to develop successful countermeasures to deployed defenses than it is to develop successful defenses in the first place. Therefore, anything that we can do to curb the pressure to embark on another arms race in the defensive arms arena is in our best interest from a budgetary as well as security standpoint.

Again, Mr. Chairman, I urge my colleagues to support the amendment, and reaffirm the view that the ABM Treaty makes an important contribution to American security and to reducing the threat of nuclear war.

Mr. FRENZEL. Mr. Chairman, while I favor the traditional tight interpretation of the ABM Treaty, I do not favor the Aspin amendment to enforce that interpretation. The problems with the Aspin amendment run the gamut from form, to procedure, to substance.

With respect to form, the awkward attempt to use testimony from a Defense Department official as a part of the military authorization bill, is a strange way to write law. It's a little like putting a volume of the Britannica into the statute books.

With respect to procedure, the jurisdiction over this matter belongs to the Foreign Affairs Committee. The fact we are given 30 minutes to talk about it in connection with a military authorization trivializes the issue, and puts it into the hands of the nonexperts among us.

With respect to substance, the game has changed. We have completed one agreement and are working on another. It would be unwise to bind the President to a policy that might not be acceptable to either side. This administration has no plans to spend any money on the broader interpretation. Since there are none, it does not make sense to prejudge, or to attempt to predetermine, this particular aspect. Negotiations should have maximum flexibility to do the best possible job.

I shall vote against the amendment.

Mr. MCCURDY. Mr. Chairman, I support the amendment of my distinguished colleague from Wisconsin to prohibit the use of funds for activities not permitted under the traditional interpretation of the 1972 Anti-Ballistic Missile Treaty.

The ABM Treaty is the bedrock of our arms control effort with the Soviet Union. We must preserve this treaty as we explore ways to improve nuclear stability and reduce the threat of nuclear war.

Unfortunately, the Reagan administration, in its zeal for the deployment of SDI, considers the ABM Treaty as its most serious obstacle to that goal. Until the President's star wars speech in March 1983, the Reagan administration supported the strict or traditional interpretation of the ABM Treaty. Then they reversed themselves and advanced weak and fallacious arguments against the original interpretation to the extent that considerable damage has been done to executive branch/congressional cooperation on the future ratification of strategic arms control treaties.

As Senator SAM NUNN has so eloquently demonstrated in his speeches of last year, the Senate, in 1972, clearly understood it was ratifying the strict interpretation of the treaty and I agree with his conclusion that the Reagan administration has failed to produce a clear and compelling rationale to renounce the original interpretation.

While defeated by the Congress in its attempt to reinterpret the ABM Treaty, the administration continues to press for an early deployment of SDI as a way of breaking the ABM Treaty.

Our hearings on SDI in the Armed Services Committee have shown that there is simply no technological justification for a near-term deployment of an SDI.

More importantly even if it was technologically feasible, a near-term unilateral deployment of such a system would be so destabilizing to the military balance that it would set off a new and most dangerous arms race. We must not allow this to happen. I urge you to support the Aspin amendment.

Mrs. LLOYD. Mr. Chairman, I rise in support of Aspin amendment regarding the interpretation of the ABM Treaty, and would like to take this opportunity to clarify my position.

I am a strong supporter of the strategic defense initiative. Last year I spoke in favor of an amendment that would have deleted funding for the space-based kinetic kill vehicle because this technology would have been restricted by the ABM Treaty. Development, testing and deployment of kinetic energy technology is prohibited by the ABM Treaty, under both the liberal and strict interpretations, because it is not a new technology and cannot be categorized as based on "other physical principles".

This position is consistent with my view that the ABM Treaty does not limit the development of more exotic technologies such as lasers. The administration's interpretation is too board with its inclusion of less exotic technology, but the traditional or strict interpretation may not allow for development, testing, or deployment of the most promising technologies.

Although I am not comfortable with the strict interpretation as laid out in the Aspin amendment, I will support this language because it does not contradict the actual plans for SDI for fiscal year 1989. Dr. Robert Costello, the Undersecretary for Acquisition, has expressed his intention that SDI R&D will not break out of the ABM Treaty restrictions. I will, therefore, support the Aspin language this year and revisit the issue when the SDI Program is further along.

Mr. DARDEN. Mr. Chairman, I rise in support of the Aspin amendment which will ensure that the Department of Defense conducts a sound and measured testing program of antiballistic missile systems.

This amendment is virtually identical to the agreement worked out last year with the administration and the other body, and was passed as part of the conference report to last year's authorization bill. The House, the Senate, the Department of Defense, and the President have already gone on record as supporting the principles of this amendment. I see no valid reason, nor does the Department of Defense, to alter the principles of this agreement for fiscal year 1989.

As a supporter of the strategic defense initiative, I believe this amendment is an important step toward enhancing the overall SDI Program. In the Research and Development Subcommittee markup session, I offered an amendment to increase the funding for the strategic defense initiative by 10 percent. This amendment failed, but it is signficantly higher than the funds which the majority of my colleagues have supported. But, as important as maintaining steady real growth in funding for SDI, we must ensure that we maintain the basic principles as espoused in the ABM Treaty until we are in a better position to determine the parameters of the strategic defense initiative.

The administration has testified that there are no plans to utilize fiscal year 1989 funds for tests that are inconsistent with the strict interpretation of the ABM Treaty. Accordingly, this amendment makes sense, and, I believe, in reality, is in the best interest of the SDI Program.

Mr. WELDON. Mr. Chairman, I have not completed my first term yet, but after going through the Defense authorization last year and listening to the debate here today, I am already amazed at the way this body conducts its international arms policy business.

We spend countless hours on the floor trying to tie each other up in verbal knots over the meaning of various arms accords. We're dancing on pinheads, trying to determine the meaning of treaty language that in many

cases is still not agreed upon by those who attended the negotiations themselves.

I have no problem with Members trying to understand the treaty and its implications. I believe we should play a limited role in shaping a responsible arms policy. What worries me is that we're considering it in a vacuum; we're ignoring the facts that, in my mind, make this whole debate about what the United States meant and what the Soviets meant during negotiations irrelevant.

We know that the Soviets have already violated the ABM Treaty. Last year this body unanimously adopted my amendment recognizing the construction of the Krasnoyarsk radar site as a clear-cut violation of ABM. Then the majority of this body turned around and required the United States to adhere to the narrow interpretation of the ABM Treaty. So now we're saying to the Soviets, OK, we know you're cheating and you better do something about it. But don't worry because we will do the honorable thing and uphold our end of the deal regardless of your actions.

Now we have new evidence that the Soviets are moving ahead in full pursuit of a nationwide defense ABM system. As reported in the Wall Street Journal and Washington Times earlier this year, Air Force intelligence officials have uncovered a series of Soviet strategic defense activities which will inevitably lead to a nationwide antimissile defense.

> * * * the Air Force Intelligence has officially concluded the Soviets have rolled production lines to break out of the ABM Treaty and deploy a nationwide anti-missile system, which possibly could be in place by next year.

Although intelligence officials are now soft pedaling on the report issuing these findings due to upcoming arms negotiations, under intense questioning about Soviet activities, they acknowledge the Soviet activities and their potential implication for United States security.

In his Soviet arms compliance report to Congress last December, the President said:

> The absence of Soviet dismantlement of the Krasnoyarsk radar, the new violation in the deployment of the Flat Twin and Pawn Shop observed at Gomel, and the totality of Soviet ABM-related activities in 1987 and previous years, suggest that the USSR may be preparing an ABM defense of its national territory.

A group of former Soviet scientists recently commented on the alleged breakout activities:

> The Soviet Communist leaders can be expected to continue working on their star wars system, either overtly or covertly, with high priority, no matter what they say or what they sign, or what the U.S. does.

Mr. Chairman, given the debate we are having today and the fact that we will likely be back here next year going through this same exercise again, I think it is important to get to the bottom of these highly classified findings on Soviet strategic activities. If we insist on making decisions on the ABM Treaty, it is time we do so with the complete knowledge of all Soviet ABM and related strategic activities. I have an amendment which requires the Secretary of DOD to provide a classified and unclassified report on recent ABM activity findings by the intelligence community, and to make recommendations on what actions we should take to maintain a strategic deterrence based on the assessment. It is critical that we have this kind of information as we debate ABM, SALT II, and SDI.

Many in this body say we should limit our strategic actions to proportional responses. I am not advocating any particular U.S. response at this point. But let's not lock ourselves out of that opportunity by mandating a narrow interpretation of ABM.

We'd all like to believe that our international arms control agreements are being adhered to, and that there is mutual cooperation between the two superpowers. Hopefully, that will be the case someday. But what we'd like and what really exists now are different things. The Soviets are trying to sell us a bill of goods, and that is evident when listening to their words and watching their actions. If we pass the Aspin ABM amendment, in my opinion, we are buying those goods, lock, stock and barrel.

Mr. WEISS. Mr. Chairman, I am in strong support of the Aspin amendment to ensure that the Reagan administration continues to comply with the traditional, or strict, interpretation of the Anti-Ballistic Missile [ABM] Treaty.

The ABM Treaty is the only treaty currently in effect that restrains the nuclear arms race between the United States and the Soviet Union. By preventing a race to deploy defensive strategic weapons for more than 15 years, the ABM Treaty has contributed immeasurably to the security of the United States. It has ensured our ability to respond effectively to a Soviet nuclear attack.

However, the Reagan administration, in its rush to deploy a nationwide strategic defense, has engaged in a number of activities that have seriously undermined the ABM Treaty. These activities pose a serious threat to the survival of this extraordinarily important agreement.

First, the administration has attempted to unilaterally reinterpret the treaty's provisions. It is absolutely clear that the treaty's negotiators intended the treaty to forbid the development, testing and deployment of space-based exotic ABM systems. This is the way the treaty was understood by those who negotiated it. This is the way the treaty was understood by those who presented it to Congress. And this is the way in which it has been observed thus far.

Nevertheless, the Reagan administration asserted in October 1985 that unrestricted testing and development of exotic systems, such as lasers and infrared sensors, is permitted after all. This reinterpretation is a cynical attempt to provide a legal blessing for swift deployment of space-based weapons, despite the treaty's clear-cut prohibition of such activities.

In addition, the Reagan administration has taken advantage of gray areas in the ABM Treaty's text in order to justify the testing of certain SDI-related technologies while allegedly remaining in compliance with the traditional interpretation. This approach threatens to erode the treaty around its edges until its provisions become meaningless.

The administration's actions raise extremely serious questions about the future of arms control and about adherence to the Constitution.

I am one of the Members of Congress who agrees with the Office of Technology Assessment [OTA] that the President's entire star wars scheme is not technically feasible and would result in a catastrophic failure if it was ever used. However, even if one accepts as an article of faith the idea that an effective nationwide defensive system can be developed, it is clear that the only hope for such a defensive system lies with future technologies, rather than the phase I early deployment technologies that are currently being pushed by the administration.

There is a growing consensus among defense experts and scientists that early deployment of an SDI system will not be survivable or cost effective, since it will be less expensive for the Soviets to overcome such a system than for the United States to deploy it. However, near-term deployment of SDI will violate the ABM Treaty.

Early deployment will not provide us with an effective defense against nuclear weapons. But it will leave us without any constraint on the pursuit of a defensive system by the Soviet Union. In other words, it will leave us less secure than we now are.

Rather than rush toward near-term deployment of an ineffective and costly SDI system, we ought to negotiate with the Soviet Union to clarify those provisions of the ABM Treaty that have been called into doubt. Moreover, we should reaffirm the commitment of both nations to adhere to the ABM Treaty on a long-term basis.

Continued adherence to the treaty will permit us to continue laboratory research on long-term defensive technologies, should we choose to do that. But it will also preserve the only existing constraint on an all-out arms race in the area of defensive weapons.

It must also be pointed out that the administration's actions in attempting to reinterpret an existing treaty make a mockery of the Senate's role in confirming treaties with other nations. The administration has contended that its reinterpretation is based on the treaty's negotiating record, notwithstanding the testimony of administration witnesses to the contrary at the time of treaty ratification.

If the Senate is to fulfill its constitutional role in approving treaties, it must be able to rely on the authority of testimony proffered by administration witnesses prior to Senate approval. The administration's position not only calls into question the continued viability of the ABM Treaty, but it raises a serious roadblock to the approval of the recently signed INF Treaty and to any other arms control agreements negotiated by President Reagan or future presidents.

Mr. Chairman, the administration's actions in reinterpreting the ABM Treaty threaten to spark a new arms race in space and to interfere with our ability to negotiate future arms agreements. In addition, they fly in the face of our constitutional process.

On the other hand, the amendment of the gentleman from Wisconsin strikes a blow for arms control and for the continued preservation of a vital international agreement. I urge my colleagues to join with me in approving this amendment, which will help save the ABM Treaty.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Wisconsin [Mr. ASPIN].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ASPIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 252, noes 159, not voting 20, as follows:

[Roll No. 70]

AYES—252

Ackerman	Dymally	Kleczka
Akaka	Dyson	Kolter
Alexander	Early	Kostmayer
Anderson	Eckart	LaFalce
Andrews	Edwards (CA)	Lancaster
Annunzio	English	Lantos
Anthony	Espy	Leach (IA)
Applegate	Evans	Lehman (CA)
Aspin	Fascell	Lehman (FL)
Atkins	Fawell	Leland
AuCoin	Fazio	Levin (MI)
Barnard	Feighan	Levine (CA)
Bates	Fish	Lewis (GA)
Beilenson	Flake	Lipinski
Bennett	Florio	Lloyd
Berman	Foglietta	Lowry (WA)
Bilbray	Foley	Luken, Thomas
Boehlert	Ford (MI)	MacKay
Boggs	Ford (TN)	Manton
Boland	Frank	Markey
Bonior	Frost	Martinez
Bonker	Garcia	Matsui
Borski	Gaydos	Mavroules
Bosco	Gejdenson	Mazzoli
Boucher	Gephardt	McCloskey
Boxer	Glickman	McCurdy
Brennan	Gonzalez	McHugh
Brooks	Gordon	McMillen (MD)
Brown (CA)	Gradison	Mfume
Bruce	Grandy	Miller (CA)
Bryant	Grant	Miller (WA)
Bustamante	Gray (IL)	Mineta
Campbell	Gray (PA)	Moakley
Cardin	Green	Moody
Carper	Gunderson	Morella
Carr	Hall (OH)	Morrison (CT)
Chandler	Hamilton	Morrison (WA)
Chapman	Hatcher	Mrazek
Clarke	Hawkins	Murphy
Clay	Hayes (IL)	Murtha
Clement	Hayes (LA)	Nagle
Coelho	Hefner	Natcher
Coleman (TX)	Henry	Neal
Collins	Hertel	Nichols
Conte	Hochbrueckner	Nowak
Conyers	Horton	Oakar
Cooper	Houghton	Oberstar
Coughlin	Hoyer	Obey
Coyne	Huckaby	Olin
Crockett	Hughes	Ortiz
Darden	Jacobs	Owens (NY)
Davis (MI)	Jeffords	Owens (UT)
de la Garza	Jenkins	Panetta
DeFazio	Johnson (CT)	Patterson
Dellums	Johnson (SD)	Pease
Derrick	Jones (NC)	Pelosi
Dicks	Jones (TN)	Penny
Dingell	Jontz	Pepper
Dixon	Kanjorski	Perkins
Dorgan (ND)	Kaptur	Pickett
Dowdy	Kastenmeier	Pickle
Downey	Kennedy	Porter
Durbin	Kennelly	Price
Dwyer	Kildee	Rangel
Richardson	Sikorski	Torres
Ridge	Sisisky	Torricelli
Rodino	Skaggs	Towns
Roe	Skelton	Traficant
Rose	Slattery	Udall
Rostenkowski	Slaughter (NY)	Vento
Roukema	Smith (FL)	Visclosky
Rowland (GA)	Smith (IA)	Volkmer
Roybal	Snowe	Walgren
Russo	Solarz	Watkins
Sabo	Spratt	Waxman
Saiki	St Germain	Weiss
Savage	Staggers	Wheat
Sawyer	Stallings	Whitten
Scheuer	Stark	Williams
Schneider	Studds	Wise
Schroeder	Swift	Wolpe
Schumer	Synar	Wyden
Sharp	Tauke	Yates
Shays	Thomas (GA)	Yatron

NOES—159

Archer	Hastert	Ravenel
Armey	Hefley	Regula
Badham	Herger	Rhodes
Baker	Hiler	Rinaldo
Ballenger	Holloway	Ritter
Bartlett	Hopkins	Roberts
Barton	Hubbard	Robinson
Bateman	Hunter	Rogers
Bereuter	Hutto	Rowland (CT)
Bevill	Hyde	Saxton
Bilirakis	Inhofe	Schaefer
Bliley	Ireland	Schuette
Boulter	Kasich	Schulze
Broomfield	Kemp	Sensenbrenner
Brown (CO)	Kolbe	Shaw
Buechner	Konnyu	Shumway
Bunning	Kyl	Shuster
Burton	Lagomarsino	Skeen
Byron	Leath (TX)	Slaughter (VA)
Callahan	Lent	Smith (NE)
Cheney	Lewis (CA)	Smith (NJ)
Clinger	Lewis (FL)	Smith (TX)
Coats	Lightfoot	Smith, Denny (OR)
Coble	Livingston	Smith, Robert (NH)
Coleman (MO)	Lott	Smith, Robert (OR)
Combest	Lowery (CA)	Solomon
Courter	Lujan	Spence
Craig	Lukens, Donald	Stangeland
Crane	Lungren	Stenholm
Dannemeyer	Marlenee	Stratton
Daub	Martin (IL)	Stump
Davis (IL)	McCandless	Sundquist
DeLay	McCollum	Sweeney
DeWine	McCrery	Swindall
Dickinson	McDade	Tallon
DioGuardi	McEwen	Tauzin
Dornan (CA)	McGrath	Taylor
Dreier	McMillan (NC)	Thomas (CA)
Edwards (OK)	Meyers	Upton
Erdreich	Michel	Valentine
Fields	Miller (OH)	Vander Jagt
Flippo	Molinari	Vucanovich
Frenzel	Mollohan	Walker
Gallegly	Montgomery	Weber
Gallo	Moorhead	Weldon
Gekas	Myers	Whittaker
Gilman	Nielson	Wilson
Gingrich	Oxley	Wolf
Goodling	Packard	Wylie
Gregg	Parris	Young (AK)
Hall (TX)	Pashayan	Young (FL)
Hammerschmidt	Petri	
Hansen	Pursell	
Harris	Quillen	

NOT VOTING—20

Bentley	Guarini	Rahall
Biaggi	Latta	Ray
Chappell	Mack	Roth
Donnelly	Madigan	Stokes
Duncan	Martin (NY)	Traxler
Emerson	Mica	Wortley
Gibbons	Nelson	

□ 1245

The Clerk announced the following pairs:

On this vote:

Mr. Donnelly for, with Mrs. Bentley against.

Mr. Stokes for, with Mr. Roth against.

Mr. KONNYU changed his vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. GRAY of Illinois). It is now in order to debate the subject of the Strategic Arms Limitation Treaty.

Under the rule, the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 15 minutes and the gentleman from Ohio [Mr. KASICH] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, I yield 3 minutes to the gentleman from Washington [Mr. DICKS], the author of the amendment.

Mr. DICKS. I thank the gentleman for yielding time to me.

Mr. Chairman, again this year I offer an amendment that has been twice adopted by the House, and last year by the other body as well, that simply tries to keep a lid on the arms race until we can secure a verifiable agreement to reduce strategic nuclear forces.

The issue we are debating today with this amendment is not ratification of the SALT II Treaty. But it is a major question for the future of arms control. What we are debating is whether we should restore a policy that the administration followed for over 5 years. The policy is that we will not undermine the informal, but none the less critical, interim restraints on offensive nuclear forces deployed by the Soviet Union and the United States that both sides have followed between 1979 and 1986. The Soviets are continuing to withdraw older forces to remain within these numerical limitations.

In the last year there has been progress in the START negotiations, in addition to the completion of the intermediate nuclear forces agreement. The President deserves to be commended by those of us on both sides of the aisle for this progress.

We all hope that he is successful in securing an agreement to reduce offensive nuclear forces by 50 percent in a way that is verifiable and enhances stability. Certainly if he does the interim restraints included in this amendment will become a moot point. Forces on both sides will go far below those levels.

But there are a number of very difficult issues in the START negotiations that must be resolved. Unfortunately, it is becoming increasingly likely that these issues cannot be closed in a satisfactory manner in the time remaining to this administration. And while we all support the negotiators in their efforts, we also want to make it clear that there should be no perception of pressure to secure an agreement for its

own sake. It must contribute to our national security interests as well as the cause of world peace.

I am convinced these negotiations will be even more difficult if there isn't some degree of predictability and control over the developments of our respective nuclear arsenals in the interim. While I would be the last to claim that the numerical limits included in the SALT II agreement are perfect, they do represent a level of forces that was followed for years by both superpowers, and which is readily available to serve as an interim restraint.

The underlying rationale for this policy was stated well by the President himself when he was quoted in the New York Times magazine of October 6, 1985. He said, "I learned that the Soviet Union had the capability to increase weaponry much faster than the treaty permitted, and we didn't." It was for that reason that despite his conviction that SALT II was fatally flawed, he still correctly saw that keeping the limits on nuclear forces embodied in the interim restraints was in the national security interests of the United States. Nothing has changed to alter this fact of life.

This amendment simply states that funds will not be available to unilaterally exceed the limitations on MIRV'd nuclear weapons included in the SALT II Treaty. There are 820 MIRV'd ICBM's, 1,200 MIRV'd ICBM's and SLBM's, and 1,320 MIRV'd ballistic missiles and cruise missile carrying bombers. It also restricts the number of warheads on individual systems to the numbers agreed for each system in the agreement. In fact, the Soviets have withdrawn, destroyed, or dismantled over 1,300 launchers to stay within these limitations.

Should the President certify that the Soviets are no longer observing these limits, then the restraints on United States forces would be lifted.

The question must be asked, what do we gain by abandoning the interim restraint policy? It will have no impact on our currently planned strategic modernization. The MX, the Trident II, the B-1, and ATB are all allowed under this policy. Nothing in the policy, or this amendment, deals with elements of the SALT II Treaty that would constrain the small single warhead ICBM, Midgetman. There is nothing to say that we can not respond to the issue of the SS-25 with our own single warhead mobile missile. To date the abandoning of interim restraint has added a few B-52's coverted to carry air launched cruise missiles without any compensating reductions. This is hardly the kind of thing that will tip the nuclear balance.

What do we risk if we abandon this policy? The administration contends that the Soviets will not do anything. To date they have continued to observe interim restraint despite the fact that the United States has exceeded the 1,320 number. If you are willing to depend on Soviet unilateral restraint then the risks are not large. But if you are concerned about Soviet potential, then the risks are large. Gen. Bennie Davis, then commander in chief of the Strategic Air Command, was concerned when he testified in 1985 before the Senate Armed Services Committee, "if they were to break out of the treaty limits of SALT II, the disparity between the number of warheads held by the Soviet Union and the United States would be significant * * * any action by the Soviet Union which would change the nuclear balance so dramatically could adversely affect strategic stability."

The CIA recently testified that in the absence of interim restraints, the Soviet Union could have 21,000 nuclear warheads by the mid-1990's with a robust, but not maximum expansion. If the United States were to match such an expansion, it would require a hugh increase in U.S. forces. According to the Congressional Budget Office, this could include 867 additional MX missiles in minuteman silos, or 36 more Trident submarines with Trident II missiles, or 270 more bombers. Costs could range as high a $100 billion.

Unconstrained Soviet offensive forces would also have significant implications for the strategic defense initiative. This is especially true for any option for initial deployment of point defense systems. In fact, the prospect of such a deployment would add significant incentives for the Soviets to take advantage of the demise of restraints.

Perhaps the most dangerous consequence of abandoning interim restraint and telling the Soviets that they can do whatever they please, is the uncertainty that will result from the loss of other provisions of the SALT II Treaty that have been observed as part of the interim restraint policy. Testing notification would be eliminated. Verification of Soviet force levels would become increasingly more difficult. Former CIA Director William Colby summarized the result, when he said, "without reliable information, the most dire predictions can be taken as fact. Priorities are skewed, money wasted, and the strategic balance destabilized. The bomber and missile 'gaps' of the 1950's and early 1960's are two examples of this syndrome."

Some have questioned whether the Congress has an appropriate role in this issue. We have a constitutional responsibility to raise armies and navies and to exercise the power of the purse. We have debated the arms control implications of our actions on a wide range of weapons systems ranging from the MX to Asats.

The case for the amendment was summarized in excellent fashion by McGeorge Bundy. He is not only a former executive branch official, but someone who as National Security Adviser to two Presidents is especially sensitive to Presidential prerogative in negotiations.

He stated:

No one doubts that Congress has a constitutional right to refuse money for testing, for Asats, and for MIRV's, whenever it thinks such spending is a bad use of tax dollars. Congress has been refusing money for this or that weapon over a very long time. Nor can it be beyond congressional power to tie that judgment to related action or inaction by other governments—no money for additional MIRV's if the Soviets do not deploy additional MIRV's.

Moreover, if it is the best judgment of Congress that the MIRV ceilings should be respected, the sooner the President knows it the better, from the point of view of his responsibility for negotiations. There is no point in his bargaining for options that the Congress will not vote, and such unreal bargaining chips are of no value in serious arms control negotiations.

If more MIRV's would be bad for both sides, which really is not a far out proposition, then it makes sense not to spend money for them, and it also makes sense to put the weight of Congress on the side of international restraint. SALT II is a complex affair, neither perfect nor totally flawed, but its MIRV ceilings are clearly much better than no ceiling at all, and Congress will not handicap the President's work for arms control by helping keep them intact.

I believe that such congressional action would in reality be a help to the part of the administration, and indeed the part of the President himself, that really wants good arms control agreements.

Let's not throw away the only limitations we have on nuclear weapons until we have something better. I strongly urge the adoption of the amendment.

□ 1250

Mr. KASICH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is really with great respect that I have to stand and oppose the gentleman's amendment because I think he is a knowledgeable person when it comes to the area of arms control.

But I have to tell my colleagues that I am frankly a little bit surprised that we continue to pursue this issue, particularly at this point in time, and this is the beginning of what is going to be a series of amendments that are designed to push in a direction of arms control that the House of Representatives thinks we ought to pursue rather than the administration.

And we have the SALT issue that is up right now. Just when the Secretary of State is coming back from the Soviet Union and is involved in sensitive negotiations to cut the strategic warhead in half, here we are back with SALT II, a treaty, of course, that the Soviets have violated. What the gentleman from Washington [Mr. DICKS]

will say is that we have got to stay within those limits because, if we do not, the Soviets can break out and produce like crazy. I mean the arguments do not make much sense.

Then, after we get done with SALT, we are going to deal with Asat, then nuclear testing, then comprehensive test bans.

My colleagues, the simple fact of the matter is that the President has been the most successful arms control negotiator in the history of this country. He is the only President that has been able to get us a deep reduction in the total number of nuclear weapons, and all SALT II has done is, No. 1, allow the Soviets to cheat; No. 2, allow them to put themselves in a position where even the proponents of this amendment say they have a superior production-line capability; and No. 3, and most important, SALT II is nothing more than an agreed-to arms race particularly by the Soviet Union. We should not be endorsing agreements that sanction an arms race, but rather we ought to be following the Reagan doctrine, which is peace through strength, which is operating from a position of strength to get real reductions in nuclear weapons, and, with gret respect to the gentleman from Washington, this amendment is so old and so inappropriate, coupled with Asat, nuclear test ban and comprehensive test ban, I honestly believe the chairman of the Armed Services Committee is very, very uncomfortable with this agenda on the Democratic side.

So, Mr. Chairman, I would urge everybody in this House to applaud the gentleman from Washington for his interest in arms control, and he is great on arms control. I think he is dead wrong on this issue, and I think the House ought to speak clearly to support the President, and Mr. Chairman, I reserve the balance of my time.

Mr. ASPIN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. GREEN].

Mr. GREEN. Mr. Chairman, I rise in support of the amendment of the gentleman from Washington to keep the United States and the Soviet Union within SALT II limits, and I do emphasize that this is a reciprocal amendment. We are bound by it only so long as the Soviets bind themselves, and that judgment is left to the President of the United States, not to the Congress. So, I think we have plenty of safeguards.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. GREEN. Mr. Chairman, I am happy to yield to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, I am just replying to my colleague from Ohio [Mr. KASICH]. As soon as the President gets a treaty limiting offensive arms races, then the gentlemen from Washington and New York would not feel compelled to offer this amendment.

Mr. GREEN. Mr. Chairman, we offer the amendment because in the words of the Broomfield amendment we want "to contribute to stability and enhance the security of the American people."

It is to our interests in this arms situation to keep the Soviets complying with SALT II. The Soviets have dismantled more weapons than we have under SALT II. If they choose on the basis of our refusing to adhere to SALT II any more to compete with us in breaking out from SALT II, they can easily outrun us. Their missiles have much greater throw-weights than ours, so they can very rapidly add more warheads. We cannot. Their production lines are in a much greater state of readiness than ours. They can manufacture more missiles and warheads than we. Within the budgetary constraints that we face under the November summit agreement we are in no position to engage in a SALT II violation race with the Soviet Union.

□ 1255

Now, let me turn finally to the issue that has been raised that somehow this amendment is inappropriate now as contrasted to the last couple of years because we are about to begin the START negotiations. I would say that, far from being less appropriate, this is more appropriate because of the START negotiations. If we do not pass this amendment, it will give the Soviets every incentive to stall the START talks so that they can engage in their buildup and then negotiate START from a stronger position.

As I pointed out earlier, we are in no position to compete if the Soviets should choose to do that. According to the Congressional Budget Office, it could cost the United States as much as $100 billion to match a Soviet effort to break out of SALT II.

So I say to my colleagues that, if you are interested in getting the START negotiations off to a fast start, then the way to do it is not to give the Soviets an incentive to stall by encouraging them to break out of the SALT II limits. Instead, let us give them every incentive to get down to the business of the START negotiations by passing this amendment and by adhering to the SALT II limitations.

We passed this amendment last year 245 to 181 and, given the incentives we have to pass this to facilitate the START negotiations, we should pass it with a larger majority this year.

Mr. KASICH. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, this is an initiative by the gentleman from Washington that I think is very, very dangerous, because it moves this body toward a new policy with regard to arms control, and that policy is what I would call the partial treaty policy. That is where even though our negotiators sign a whole treaty, a total treaty, that has a series of obligations on both the United States side and the Soviet Union side, after the Soviet Union violates the treaty, and they have violated the SALT Treaty, just as we voted unanimously they violated the ABM Treaty, then Members of this House will stand up and they will say that even though parts of the treaty have been violated by the Soviets, we want to reestablish and reconfirm United States obligations under this treaty. They will then lay out a series of obligations under a piece of the treaty, that have not been violated yet and they will say, "We want the United States to live up to its part of the treaty, even though the Soviet Union has violated its part."

I think that sends a wrong message to the Soviet Union, because it tells the Politburo that they can involve themselves in negotiations and consummate a treaty with the United States which they ultimately will be allowed to violate because Members of the United States Congress will unilaterally enforce our obligations, United States obligations under the treaty, even after the Soviet Union has violated its obligations.

Now, the Soviet Union has built the SS-25 missile. That is a violation of the SALT II Treaty.

They encrypt their telemetry. That means they disguise the signals in their testing, in violation of the treaty.

According to the administration's statement that was read on another body's floor on October 1, 1987, the Soviet Union now exceeds the overall delivery vehicle ceiling of 2,504 vehicles by about 25 or 30 vehicles. So they also are violating the overall limits in the numerical categories.

So here we have one party to a treaty violating portions of the treaty and we have Members of this House standing up and saying, "Well, we don't have to enforce the overall treaty. We don't care if the Soviets have intentionally deteriorated the treaty. We want to enforce on our own Government a unilateral adherence to obligations that we made."

It takes away the whole idea of reciprocity, of quid pro quo. The United States when it signs a treaty believes it has to respect all the elements of the treaty. The Soviet Union when it signs a treaty now can anticipate that it can violate the treaty and Members of the United States House and other bodies will stand up and enforce piecemeal the portions of the treaty that the Soviets have not violated and the portions of the treaty which the Soviet Union wants to continue to maintain

because it is in their national interest. That is not the way to negotiate.

I would ask Members of this House who support SALT II, who supported the whole treaty, go ahead and support the whole treaty, but do not support pieces of the treaty that the Soviets want us to adhere to while they have violated the treaty themselves.

We should send a message back to the Soviet Union that when the executive branch negotiates a treaty, this body is going to demand that the entire treaty be enforced, not just America's obligations under the treaty.

Mr. ASPIN. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I thank the distinguished gentleman for yielding this time, and I rise in very strong support of the Dicks amendment.

First of all, I believe the Dicks amendment is good policy for the House of Representatives to be on record in support of, and that policy is a reciprocal restraint with respect to the expansion of nuclear armaments. That policy is a sound one with which the President of the United States agrees. That is not to say that I am saying the President agrees with this amendment, as he has not in years past.

On this floor recently we voted overwhelmingly to support the President's initiative, the INF Treaty, for which we all congratulate him.

I would say in years past it has been this House in particular that has urged moving ahead on substantive real reductions and important arms control agreements. It is not time for us to stop that effort.

First of all, it is not time for us as the policymaking body of the people of the United States to retreat from our previous positions. SALT II is clearly not perfect, but it is a restraint and an important restraint.

Although as the previous speaker has said, one can argue that there has been a violation here or a violation there, in substance that agreement has been honored by both sides. That has been important over the last 8 years and because it has been important this administration has felt bound by it, because it felt it was good policy for the last 6 years.

As we go to Moscow, as we not only present to the Soviets, but present to the world, because we do not just negotiate in a bilateral sense, we negotiate in the framework of the entire world looking at the posture of the United States, we ought to go to Moscow continuing in the posture of restraint. That is good international politics and it is good policy for the United States.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, for 5½ years the policy of the Reagan administration was that of mutual restraint, interim restraint. It was that as long as the Soviets abide by and not break out of these offensive ceilings, we will abide by them.

One of the problems we have in the world today is that world opinion think the Soviets are trying to do more in this field of arms control than is the United States. One of the reasons for that is because we have unilaterally broken out of the SALT II agreement.

Mr. HOYER. Mr. Chairman, I thank the gentleman for his comments.

Mr. Chairman, I would close by simply saying I think it is important for this House, I think it is good negotiating posture for the United States to go to Moscow with the House of Representatives, and hopefully the Congress on record, as saying that if you, the Soviets, show restraint, we will show restraint.

But we have an overwhelming vote in both Houses, hopefully, which says that if you do not show restraint, that we will not unilaterally stay in place, but in fact will expand.

Mr. DICKS. Mr. Chairman, will the gentleman yield further?

Mr. HOYER. I yield to the gentleman from Washington.

Mr. DICKS. It is also within this administration's own selfish interest, because they favor going ahead with the deployment of SDI. One of the easiest counters to SDI is to add more offensive capability.

SALT II keeps a lid on what they can deploy offensively. That is in our overall security interest.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Chairman, I just want to ask the gentleman from California [Mr. DICKS] if I might, before the gentleman leaves, and the gentleman from Wisconsin [Mr. ASPIN] a very simple direct question.

Do you agree, since you both have access to classified data and I do not, do you agree that the Soviet Union has violated some aspects of SALT II? Yes or no.

I yield to the gentleman from Washington.

Mr. DICKS. yes, and there are forceful responses that we could take to those violations.

Mr. GINGRICH. I just want to ask the gentleman from Wisconsin [Mr. ASPIN], yes or no?

Mr. ASPIN. Yes.

Mr. GINGRICH. Now, both distinguished gentlemen on the Democratic side have agreed that the Soviets have violated SALT II.

Mr. DICKS. Well, we are not trying to ratify SALT II.

Mr. GINGRICH. They then select out only the parts that cripple America. They do not deal in this amendment, you do not deal in this amendment—and I will be glad if I can get more time to yield in a second—but I just want to lay out a case. You do not deal in this amendment with anything that cripples Gorbachev. You only cripple Reagan. You do not do anything to affect the Soviet violations. You only stop the United States.

I, for the life of me, am totally baffled as to why 3 weeks before Ronald Reagan goes to Moscow you feel compelled to slap the President of the United States, and I understand the Dukakis-Jackson position of surrendering first and not negotiating and cutting defense without any kind of arms treaties; but these two gentlemen know better. They are not part of that kind of a looney left wing of your party.

Now, why would you under this kind of a situation, why would you only pick out the portions of the treaty that hurt America, and why would you not deal with the entire treaty and say that when the Soviets agree to obey SALT II, we will agree to deal with SALT II; but when the Soviets violate SALT II, the President should pick those proportionate responses which are most effective from the American side.

This is the kind of selective enforcement which is mindless. Now, both these gentlemen know better than this.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I am glad to yield, if I have time, to the distinguished chairman.

Mr. ASPIN. Mr. Chairman, I would be happy to respond to the gentleman.

The gentleman in the well is absolutely incorrect when he says that the limitations that we are talking about constrain us more than they constrain the Soviet Union.

The point about picking out the sublimits, the 820, 1,200, 1,320 sublimits, is precisely because of the capability of the Soviet Union to exceed those sublimits.

The CHAIRMAN pro tempore. The time of the gentleman from Georgia has expired.

Mr. ASPIN. Mr. Chairman, I yield 1 additional minute to the gentleman from Georgia.

Mr. GINGRICH. I want to say just for a second, Mr. Chairman, I think if I understand the point the gentleman is about to make, that having now weakened America's production capacity, the Democrats in the House knowing the Russians can break out feel compelled to weaken America unilaterally because in fact we are already so weak because you have weakened our production capacity that if they do

break out, is it not correct that we literally in the first 2 years of a Soviet breakout could not catch up with them?

Mr. ASPIN. The point, if the gentleman will yield, the point is that for certain peculiarities which have got nothing to do with the production run, but certain peculiarities of the Soviet system, which is like for example their ability to add warheads to their missiles in greater numbers then we can add warheads, their potential breakout is much more serious than ours. These limits are clearly in the national security interests of the United States, if the gentleman will let me finish, the point being that if you are worried about a breakout, the Soviets have a greater capacity for breakout than we do and these limits are clearly more in our interest than of the Soviets.

The CHAIRMAN pro tempore. The time of the gentleman from Georgia has again expired.

Mr. KASICH. Mr. Chairman, I yield 1 additional minute to the gentleman from Georgia.

Mr. GINGRICH. Let me just say, Mr. Chairman, I find it very peculiar that my understanding is that the Joint Chiefs of Staff do not agree with you. My understanding is that the Secretary of Defense does not agree with you. My understanding is the President of the United States does not agree with you. The Secretary of State does not agree with you.

So the executive branch of the Government of the United States is saying, "Please do not cripple the United States in this way," but in your wisdom, you are voluntarily crippling the President of the United States 3 weeks before he goes to Moscow.

I just find it very peculiar. I understand that you would not have to cripple President Dukakis, because he would do it to himself, but I find it very peculiar that you are taking on the armed services of the United States, the Secretary of State, and the President, all of whom are saying, "Please don't do this," but you are helping them by crippling America.

Mr. KASICH. Mr. Chairman, if the gentleman will yield, I just want to point out that the CIA testimony indicates that under SALT II this arms control agreement, under SALT II the Soviets could add 6,000 warheads to their current arsenal.

The CHAIRMAN pro tempore. The time of the gentleman from Georgia has again expired.

Mr. KASICH. Mr. Chairman, I yield 1 additional minute to the gentleman from Georgia.

Will the gentleman from Georgia yield?

Mr. GINGRICH. I yield to the gentleman from Ohio.

Mr. KASICH. Under SALT II, the Soviets could add 6,000 warheads to their current arsenal of 9,000 by 1995 and another 8,000 warheads by the year 2000.

This is the folly that has been pursued for so long, until Reagan comes into office and actually deals from a position of peace through strength.

□ 1310

Mr. GINGRICH. Let me suggest, and I might say that we have now moved on the part of our Democratic friends from a blame-America-first foreign policy to a cripple-America-first diplomatic policy, and I think it is amazing that they would only punish and weaken America 3 weeks before Ronald Reagan goes to Moscow.

Mr. ASPIN. Mr. Chairman, I yield 6 minutes to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, let me reiterate why President Reagan for 5½ years followed a policy of interim restraint. He said the underlying rationale well when he was quoted in the New York Times magazine of October 6, 1985. He said:

> I learned that the Soviet Union had the capability of increase weaponry much faster than the treaty permitted and we did not.

It was for that reason that despite this conviction that SALT II was fatally flawed, he correctly saw that keeping the limits on nuclear forces embodied in the interim restraint agreement was in the national security interests of the United States. Nothing has changed to alter that fact of life.

The CIA has estimated that the Soviets could add 21,000 warheads by the 1990's without interim restraints. So it is not just NORM DICKS and LES ASPIN saying that. We also have Gen. Bennie Davis, the Strategic Air Commander at the time who was concerned when he testified in 1985 before the Senate Committee on Armed Services. He said:

> If they were to break out of the treaty limits of SALT II, the disparity between the number of warheads held by the Soviet Union and the United States would be significant. Any action by the Soviet Union which would change the nuclear balance so dramatically would adversely affect strategic stability.

The bottom line is this: the Soviets have the capacity to add a lot more offensive capability that we do. The limits in SALT II clearly are in our national security interests.

If my colleagues favor the strategic defense initiative, and I have grave doubts about it, then my colleagues want to limit the number of offensive weapons that the Soviets can deploy because that capability of overwhelm or swamp SDI would be one of the clear countermeasures they would take if it were deployed.

Let me just tell my colleagues something that they may not want to hear but I think should hear.

The SALT II sublimits restrict the Russians more than the United States:

To comply with SALT over the years, the Soviet Union has dismantled, destroyed, or withdrawn over 1,100 ICBM's, 300 SLBM's, 19 *Yankee*-class submarines, 8 *Hotel*-class submarines, and between 20 and 50 bison bombers. By comparison, the United States has dismantled or withdrawn fewer strategic system: 10 Polaris subs, 2 Poseidon subs, 350 ICBM's, and about 560 SLBM's.

If my colleagues will go back and see what the Central Intelligence Agency has said, they have said the Soviet Union is still taking older offensive systems out as they deploy new systems.

Let me just give my colleagues a practical problem here. I want the President to succeed in the START talks. I want him to get down to 6,000 warheads as the limit. I am also pragmatic and practical enough to know that the further we build above the limits in SALT II, the harder it is going to be for the United States to come down to that 6,000 warhead limit. We are going to have to make tough choices about ICBM's, SLBM's and bombers. I think exercising restraint now makes good common sense. Plus, from a public relations viewpoint I think it is wrong that the United States is breaking out of the principal limits of SALT II while the Soviet Union continues to exercise and follow the same policy that Ronald Reagan followed for 5½ years, interim restraints. It makes common sense. Let me stay with that policy.

Mr. HUNTER. Mr. Chairman, will the gentleman from Washington yield?

Mr. DICKS. Mr. Chairman, I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I would like to debate for a moment what the gentleman from Washington has just said. If the gentleman from Washington thinks that the breakout potential is so great for the Soviet Union, am I correct in assuming that the gentleman from Washington would allow the Soviet Union to go over the SALT limits a little bit without a response by the United States?

The CHAIRMAN pro tempore (Mr. GRAY of Illinois). The time of the gentleman from Washington has expired.

Mr. ASPIN. Mr. Chairman, I yield the balance of my time to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, I will reserve 1 minute of that time.

The CHAIRMAN pro tempore. The gentleman from Washington has been yielded 2 minutes.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, to put my question, the gentleman says that the sublimits are very important be-

cause the Soviets could break out. He has already admitted that the Soviets in encrypting are in violation of the total treaty.

Mr. DICKS. Mr. Chairman, reclaiming my time, I said that we should take proportional response like Midgetman and encrypting our own telemetry if necessary.

Mr. HUNTER. If the gentleman will yield further, let me ask him this.

Mr. DICKS. When we tear up the SALT Agreement we also end our ability to use mechanisms such as the Standing Consultative Commission, to resolve these kinds of disputes. That was the point.

Mr. HUNTER. The administration has already issued an official statement saying the Soviets are in violation of the overall limits, so based on the rationale of the gentleman from Washington, what should a response be?

Mr. DICKS. Proportional response is the correct way to reply to that, not tearing up the entire agreement.

Mr. HUNTER. Why is the gentleman from Washington enforcing strict sublimits if the Soviets have already violated the overall limits?

Mr. DICKS. Those sublimits are being abided by. They are central to our strategic interests. They keep a cap on the offense arms race both in terms of launchers and warheads. It is in our security. Maybe Ronald Reagan does not understand that anymore. But he did understand that for 5½ years because he followed that policy after he condemned the SALT II Agreement during the 1980 election campaign. When he became Commander in Chief, he saw the numbers and he realized he made a mistake. Nothing has changed to alter that policy.

Mr. HUNTER. So the gentleman from Washington in willing to overlook the violations?

Mr. DICKS. No, I am not willing to overlook any Soviet violations. We should be diplomatically trying to resolve them. We should sit down in secret sessions in Geneva to work out answers to all those issues, not tear up the mechanism to do that.

Mr. HUNTER. If the gentleman will yield further, we should take no reciprocal action?

Mr. DICKS. We could build a lot more Midgetmen to respond to any of their violations.

Mr. HUNTER. My only point is that the Soviets are in violation of the overall limits by about 30 vehicles.

Mr. DICKS. That is a disputed question, and there is some question about some old systems. It is all up in the air.

Mr. KASICH. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Chairman, here we go again. I hope the House will vote down the Dicks amendment. It is simply another one-sided attempt to compel the United States to selectively adhere in the future to the terms of a SALT II Agreement without any attempt to address Soviet noncompliance with the same agreement. Among other things, this amendment raises serious legal and constitutional problems. The amendment binds the executive branch by mandating adherence to a never-ratified, expired-if-ratified arms control agreement that is being violated by the Soviet Union.

Moreover, the United States is not abandoning arms control compliance. There is no obituary for arms reductions. We have very serious SALT negotiations ongoing in Geneva where new sublimits for long-range nuclear systems are being discussed. There is still hope for progress in the START area.

No policy of interim restraint, however, with higher number of nuclear weapons systems is a substitute for an agreement on deep, mutual and verifiable reductions in offensive nuclear arms which the United States is pursuing with the Soviet Union in Geneva. By passing this amendment I believe that we complicate the Geneva process by removing a certain amount of diplomatic leverage which can be exerted at the negotiating table not only in regard to the achievement of Soviet compliance but also in relation to the attainment of a new agreement providing for nuclear arms reductions below SALT II levels.

Mr. Chairman, we have just received on this side of the aisle a letter from the Secretary of State dated April 27, 1988, and I want to quote from that letter.

The Secretary says:

I understand that the House is considering numerous amendments to the Defense authorization bill, some of which would undercut our arms reductions and security policies. One such amendment would require decisions on the levels of our strategic forces to be made on the basis of selected provisions of the SALT II Agreement. This was a flawed treaty which the Senate has not approved. Even if it had been ratified, it would now have expired. In addition, the Soviets have violated several important provisions of the treaty. If enacted, this amendment would undercut our ability to base our strategic forces on the nature and magnitude of the threat posed by the Soviet Union and on the need to maintain a credible strategic deterrent. Its enactment would greatly lessen incentives for the Soviets to engage in arms reductions negotiations and would send a message to the Soviets that they can pick and choose among arms control agreements and ignore inconvenient limitations.

Again for these reasons, Mr. Chairman, I sincerely hope that the House will vote down this amendment which we have had before us in different forms for several years.

Mr. KASICH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, to finish this letter from Secretary Shultz.

I believe that amendments such as these are counterproductive and would undermine our ability—both at the negotiating table in Geneva and at meetings between the leaders of the two countries, such as the upcoming summit in Moscow—to achieve a START Treaty meeting United States criteria and confidence-building agreements with the Soviets. I urge that the House defeat these amendments, thus ensuring that the President and his negotiators can continue to negotiate strategic arms reductions and nuclear testing verification provisions with the Soviets and to pursue multilateral negotiations on an effective, verifiable global ban on chemical weapons and conventional force reductions from positions of strength and unity. We must not give the Soviets unilateral concessions through legislation.

I say to my colleagues this is not the time to pass this kind of an amendment. The President is about to go to the Soviet Union and we are involved in sensitive negotiations now. We should not be doing something like this. This is absolutely out of line. Perhaps in 1983, 1984, or 1985 one could have argued this, but I do no think it can be argued at this time. Clearly not in 1988, 3 weeks before going to the Soviet Union to conduct negotiations. We should not be shoving something down the administration's throat that the Secretary of State says undercuts our position. Let us vote "no."

The CHAIRMAN pro tempore (Mr. GRAY of Illinois). All time has expired.

It is now in order to consider the amendments relating to the Strategic Arms Limitation Treaty printed in section 1 of House Report 100-579, by, and if offered by, the following Members or their designees, which shall be considered in the following order only:

(A) By Representative BROOMFIELD; and

(B) By Representative DICKS.

Each amendment shall be in order even if amending portions of the amendment in the nature of a substitute, as modified and as amended, are already changed by amendment. If more than one of said amendments is adopted, only the last such amendment which is adopted shall be considered as finally adopted and reported back to the House.

Mr. BROOMFIELD. Mr. Chairman, I will not offer my amendment.

AMENDMENT OFFERED BY MR. DICKS

Mr. DICKS. Mr. Chairman, pursuant to the rule, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DICKS: On page 163, after line 6, add the following new section:

SEC. . LIMITATIONS ON DEPLOYMENT OF STRATEGIC NUCLEAR WEAPONS CONSISTENT WITH EXISTING ARMS LIMITATIONS AGREEMENTS.

(a) Notwithstanding any other provision of law, after the end of the 60-day period beginning on the date of the enactment of this at, funds may not be obligated or expended for the deployment or maintenance of—

(1) launchers for more than 820 intercontinental ballistic missiles carrying multiple independently targetable reentry vehicles (MIRVs);

(2) launchers fro an aggregate of more than 1,200 intercontinental ballistic missiles carrying MIRVs and submarine-launched ballistic missiles carrying MIRVs;

(3) an aggregate of more than 1,320 launchers described in paragraph (2) and heavy bombers equipped for air-launched cruise missiles capable of a range in excess of 600 kilometers; or

(4) a number of MIRVs on an individual ballistic missile in excess of the limitations included in the SALT II agreement, its agreed statements and common understanding;

unless the President certifies to the Congress that the Soviet Union, after the date of enactment of this Act, has exceeded the limitations specified in any of the limitations specified in paragraphs (1) through (4). Such certification shall be accompanied by a report, in both classified and unclassified versions, providing information upon which the President based his certification.

(b) For purposes of this section—

(1) launchers of intercontinental ballistic missiles and submarine-launched ballistic missiles equipped with multiple independently targetable reentry vehicles are launchers of the types developed and tested for launching intercontinental ballistic missiles and submarine-launched ballistic missiles equipped with multiple independently targetable reentry vehicles; and

(2) air-launched cruise missiles are unmanned, self-propelled, guided, weapon delivery vehicles which sustain flight through the use of aerodynamic lift over most of their flight path and which are flight tested from or deployed on aircraft.

(c) Within 30 days of enactment of this Act, the President shall notify Congress of his plans for carrying out the provisions of subsection (a).

The CHAIRMAN. Under the rule, the gentleman from Washington [Mr. DICKS] will be recognized for 5 minutes and a Member in opposition will be recognized for 5 minutes.

Mr. KASICH. Mr. Chairman, I am in opposition.

The CHAIRMAN. The gentleman from Ohio [Mr. KASICH] will be recognized for 5 minutes.

The Chair recognizes the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, as I said in earlier debate, for the last 2 years the House has approved an amendment to return United States strategic nuclear forces to the numerical sublimits included in the SALT II Agreement so long as the Soviets continue to remain under them as well. That is the point I want to make.

The gentleman from Illinois [Mr. HYDE] talked about unilateral steps. This is not unilateral. We are only bound as long as the Soviets are bound.

Last year the Senate concurred in this action. In conference we were able to reach an agreement on dismantling of one Poseidon submarine. I am offering this amendment again this year to retain the only existing limits on offensive nuclear arms until we have secured a new agreement to dramatically reduce nuclear weapons.

I might say that I am an observer to those talks, and I hope and pray that this administration is successful in getting a START agreement. But let us keep some restraint in place until they do.

The amendment is consistent with the Aspin amendment on strict interpretation of the ABM Treaty and with our negotiations in Geneva. It is important that while these discussions continue, that we do not see an acceleration in the arms race that could make ultimate agreement more difficult and which could produce pressure to reach an agreement which may not be in our security interests.

The President followed this interim restraint policy for 5½ years because he recognized that the Soviet Union has the capability to increase their forces much faster than the treaty permitted, and we do not. I would just reiterate that point. I stand here as someone who supports a strong national defense, but I do not support foolishness. To tear up the limits on the offensive side of the equation is foolishness because the Soviet Union has more warm production lines than we do. We have a tremendous debate in the House over the MX Program and the Midgetman program. The Soviets have no similar kind of debate. So let up keep some restraint on the Soviet Union. In fact the people who are opposing this amendment are saying we are prepared to tear up the limits and let the Soviets build and add more to their offensive capabilities. I must say it amazes me because the same people say we must have a strategic defense initiative. The one way to make sure we can overwhelm SDI is if the Soviets add more offensive weapons.

□ 1325

In fact, restraint on offense helps SDI, it does not weaken it.

By the way, when we talk about the cost let me just say one thing. If they do build up then we will be back here asking for more MX's, more D-5's, more ATB's to counter that offensive buildup, and that will have an enormous cost to our country.

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Oregon, my friend, who has been a devoted supporter of this amendment for whatever comments he would like to make.

Mr. AUCOIN. Mr. Chairman, I thank the gentleman for yielding and compliment him for his leadership on this issue.

We have been told we do not need SALT II because we are getting START. The fact is START is hung up, as the gentleman from Washington has said, and it is very unlikely to be completed in this administration. I wish this were not the case, but it is the case. In the real world, SALT II is all we have.

It is also a fact that we are better off with SALT than without it.

Members who have paid attention have seen satellite photographs of Soviet Yankee submarines that have been taken out of the water with the missile tubes cut out of them. This has happened because of SALT II and Soviet compliance with that treaty, and for no other reason.

Members also who have paid attention have noticed satellite photos of SS-17 silos. These silos are for MIRV'd ICBM's and the photos show them blown to smithereens. This has happened because of Soviet compliance with SALT II.

SALT II is a good deal. It is sound strategic policy, sound defense policy, and the gentleman from Washington is right on target. I urge my colleagues to support this amendment.

Mr. DICKS. Mr. Chairman, I yield my remaining time to the gentleman from New York [Mr. GREEN] to end the debate.

Mr. GREEN. Mr. Chairman, I want to address the violations issue. I think we ought to make the point that those violations have turned around two new missiles on the Soviet side since SALT II, when SALT II permits only one. But the fact of the matter is that since 1983 we have been planning two new missiles as a result of the Scowcroft Commission report. That has been administration policy.

Mr. DICKS. And that is a proportional response to what they have done.

Mr. GREEN. Basically we have both tacitly agreed there would be two new missiles, not one new missile. So I think the violations issue is really a red herring.

Mr. DICKS. It is a red herring and I agree.

I want to ask my colleagues to strongly support this amendment. We have passed it for 2 years. It has not undercut the administration. Let us keep our arms control structure in place.

Mr. KASICH. Mr. Chairman, I yield myself 1 minute just to say to the gentleman from Washington [Mr. DICKS] that the quickest way to overwhelm the SDI Program is for the House to pass these crippling amendments and inadequate budgets to support the program. That is the first way in

which we overwhelm the SDI Program. I hope the gentlemen will not support those.

Second, it is sad that the gentleman's side is going to argue that a treaty that allows the Soviets to increase their warheads by 15,000 over the next 15 years is somehow positive. That is why President Reagan has been right and the gentleman has been wrong.

It is a sad state of affairs that in this House we have to say that we must stay within an agreement that the Soviets are cheating on because they have hot production lines that would allow them to overwhelm us because we cannot get ourselves together. It is a sad state of affairs that we have not been able to come to any agreements on any new systems while the Soviets have not only developed two missiles but deployed two missiles. It is a sad state of affairs that we are afraid of their production lines because we unilaterally have not taken the action we needed to take until President Reagan came to office.

He operated with peace through strength and got us the first arms control deal that achieved reductions in nuclear weapons. Now my colleagues want to go back and sanction another deal that allows us to have arms growth, that allows us to sanction the arms race.

Let us support the President, the only one who has delivered the goods.

Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, this is nuclear freeze judgment. This is the same judgment from the other side of the aisle that pervaded the House when we debated nuclear freeze in 1982, and the idea was that the President of the United States was absolutely wrong in moving for a strong defense, in moving to build new strategic systems.

At that time under SALT II the Soviets had built over 758 SS-17's, SS-18's, SS-19's, and let me say to the gentleman from New York that they built those missiles and put them in the ground aimed at American communities, and they were not paper missiles. At the same time we had placed exactly zero. So the score was 758 to nothing for ICBM systems, built and emplaced during the 1972 to 1982 period.

The President in 1982, proposed to move to a position of strength by building new strategic systems. It was said on the other side of the aisle that this would push the Russians away from the negotiating table, we would have destabilization, we would have no chance of arriving at arms control.

Precisely the opposite has happened. When we moved from a position of strength, the Soviets came to the table. That situation is evident.

If Members really look at the SALT situation as it exists today, the United States already is 28 to 30 launchers over the SALT II quantitative limit of 1,320, so we are over that limit, and the Soviets have signed the INF Agreement. They are moving toward new negotiations with the United States.

The Soviets respond to strength and not just to strong words but to actions on the American side.

The President was right. The liberals in Congress pushing the Jackson-Dukakis arms control agenda are wrong.

Let me say just one other thing about this policy which is wrong for the United States. It is piecemeal enforcement of agreements.

We are telling our Soviet negotiators, "You do not have to comply with all the things you agree to in an agreement, because the United States Congress will unilaterally enforce United States obligations under the agreement. You do not have to have a credible agreement and you do not have to believe that you are going to abide by all of the rules and all of the components of the agreement. You only have to abide by a few components, and the arms control activists in the U.S. Congress will, nonetheless, hamstring the American President and unilaterally enforce the elements that they think are necessary for U.S. defense." So we are leaving a policy of enforcing complete agreements.

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I am happy to yield to the gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. Mr. Chairman, I thank the gentleman for yielding.

First of all, this is not a Jackson-Dukakis amendment. It's the Dicks amendment. And all the Joint Chiefs of Staff up to the current administration's have supported SALT II. Let us get that straight. Those are professional military people.

Mr. HUNTER. Mr. Chairman, let me take back my time.

Mr. Chairman, there was one misstatement. The Joint Chiefs of Staff have not supported the idea of us complying with SALT II unilaterally.

Mr. KASICH. Mr. Chairman, I yield my final minute to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, here we are leaving very little to the negotiators to negotiate, reinforcing unilateral compliance with a treaty that has been massively violated by the Soviet Union, that has expired by its terms, and was withdrawn from the Senate for ratification.

This enshrinement of SALT II is arms control by example; if we show them that we comply very strictly and if we dare have any wiggle room or flexibility, this Congress will slap us down.

That sets an example for the Soviets that they should emulate, and if they do not, why shame on them. Unilateral disarmament, one-side compliance, that is the regime that the gentlemen from the left insists on imposing on America.

It is incredibly poor strategy and harms the defense of this country.

Mr. MCCURDY. Mr. Chairman, I rise in support of the amendment by my distinguished colleague from Washington, Mr. DICKS, to place limitations on deployment of U.S. strategic nuclear weapons consistent with the SALT II agreement.

The key criterion for arms control must be the same as it is for our expenditures for national defense. Simply, what is best for America's security. By all reliable indicators of the military balance, our security is strengthened by the Soviet Union's observance of the SALT limits. These limits constrain Soviet nuclear power. Furthermore, they provide a benchmark from which to judge the magnitude of the Soviet threat and the adequacy of our nuclear deterrent.

We have been extremely fortunate that the Soviet Union has unilaterally chosen to continue to adhere to the SALT numerical limits despite the Reagan administration's renouncement of the agreement.

The intelligence community judges that the Soviets have the capability to significantly increase the number of strategic warheads far more without the SALT limitations than they could under SALT. Should they choose to do this, say in response to a breakdown of the START negotiations, a new and very costly nuclear arms race would be created.

In this era of fiscal deficits and reduced budgets, we need to insure all possible measures that the arms competition be restrained as much as possible within predictable limits. A return by the United States to respecting the SALT limits would be a positive step toward this goal.

I agree that the Soviets have violated SALT in certain instances, particularly the SS-25 and telemetry encryption. But these violations do not warrant walking away from an agreement that keeps Soviet nuclear capability constrained. The Soviets have had to destroy a considerable quantity of nuclear weaponry under SALT and given the Soviet penchant to keep weaponry as long as it functions, this is a significant requirement.

In balance, the treaty limitations that the Dicks amendment will restore are militarily far more important to the security of this Nation than the treaty provisions that the Soviets have violated. Given the uncertainty of the outcome of the START negotiations, we should, rather than not respecting the SALT restraints, recognize that we are better off making truly proportional force structure responses to Soviet violations rather than continuing to violate the SALT accord.

Another critical contribution that the SALT accords make to our security that has not been fully appreciated comes from its verification measures. These measures contribute to nuclear stability by requiring the Soviets to

reveal facts about their military forces that, absent SALT, they would not reveal.

The SALT limitations contribute to our national security by restricting Soviet offensive strategic nuclear forces and, through its verification provisions, contribute to national security by injecting a degree of transparency and predictability into the arms competition. It is only common sense to ensure that these measures are preserved until a new, more comprehensive arms control agreement is reached. I strongly urge my colleagues to support the Dicks amendment.

Mr. FRENZEL. Mr. Chairman, this Dicks amendment is based on partial observance by the U.S.S.R. and full observance by the United States of an unratified treaty which, had it been ratified, would have expired. It doesn't look like a reasonable arrangement to me.

Most Americans want to observe SALT II and they want the Soviets to observe it too. So do I. The Dicks amendment ignores the fact that the Soviets have already violated the agreement.

It also ignores the facts that we are at the negotiating table now. Our adversaries carry no self-imposed restrictions to the table, nor should we.

I don't expect the United States to violate the numerical restrictions, and I hope the Soviets won't either. As long as we have been successful in INF, and are making progress at START, I believe we should allow maximum flexibility for our negotiators. It is, to me, preferable to achieve success in the negotiations, than to allow the legislative branch to establish limitations on ourselves and not on our adversaries.

Mr. WEISS. Mr. Chairman, I am in strong support of the amendment offered by the gentleman from Washington that calls on the United States to comply with the numerical sublimits of the SALT II Treaty so long as the Soviets do likewise.

Approval of this amendment is one of the most important steps we can take this year to control nuclear weapons.

For 6 years, the Reagan administration followed a policy of interim restraint, under which they kept strategic forces within the SALT II sublimits. But in December 1986, President Reagan decided to abandon the SALT II Treaty, claiming that it was being violated by the Soviet Union and that it was impeding United States plans to modernize strategic forces.

I believe that the decision to abandon SALT II is one of the most serious blunders our President ever made.

There are a number of compelling reasons why continued compliance with the numerical sublimits of the SALT II Treaty is in the security interests of our Nation.

First of all, the SALT II Treaty has forced the Soviet Union to eliminate far more nuclear weapons than it has forced the United States to eliminate. In order to comply with SALT II, the Soviets have thus far dismantled, destroyed, or withdrawn over 1,100 ICBM's, 300 SLBM's, 27 submarines, and 20 to 50 bombers. By contrast, the United States has dismantled or withdrawn 350 ICBM's, 560 SLBM's, and 13 submarines.

Moreover, if the two sides continue to adhere to SALT II in the future, the Soviets will be forced to withdraw modern ICMB's, including SS-17's and SS-19's. By contrast, the United States will merely have to retire obsolete Poseidon submarines. Clearly, the SALT II sublimits restrict the Soviet Union far more than they restrict our Nation.

Second, without the constraints of the SALT II Treaty, both sides will be free to initiate a perilous new spiral in the nuclear arms race. The deployment of numerous additional nuclear weapons will inch us closer and closer to the ultimate catastrophe of nuclear war.

However, the United States and the Soviet Union will not be subject to equivalent risks in the event of an all-out competition to acquire additional offensive arms. The Soviets have the capacity to expand their missile force much more quickly than we can. In other words, they will be able to exploit the situation to their advantage, and there will be little that we will be able to do about it.

Third, a decision to abandon SALT II will complicate the ongoing arms control negotiations in Geneva. These negotiations are in a delicate phase, and many difficult issues remain to be resolved. It will become far more difficult to conclude an agreement if the two sides become plunged into a new competition for strategic arms. Instead of risking complications of this nature, we should continue to abide by the SALT II limits and insist that the Soviets do likewise.

Finally, continued adherence to SALT II will save money. The overhaul of aging Poseidon submarines is an expensive proposition. Dismantling such submarines in order to comply with SALT II will save a considerable amount of money.

The United States should by no means ignore the alleged violations of the SALT II Treaty by the Soviet Union. The administration's charges concerning the encryption of missile test telemetry data and the deployment of more than one new ICBM are serious. But these should have been pursued through the Standing Consultative Commission, rather than serving as the basis for a breakout from the treaty's sublimits. Whether we like it or not, the administration's breakout poses grave risks for our Nation's security and threatens to complicate the President's own objective of a sweeping agreement to reduce strategic arms.

Mr. Chairman, compliance with the SALT II Treaty both enhances our national security and improves the likelihood of future arms control achievements. I urge all of my colleagues to join me in approving this amendment, which is clearly in our Nation's best interest.

Mr. LAGOMARSINO. Mr. Chairman, I rise in opposition to the Dicks amendment that would require U.S. adherence to the SALT II sublimits by prohibiting funds for strategic offensive systems exceeding the numerical sublimits. This attempt to legislate arms control is based on faulty assumptions and is not in the best interests of our Nation.

It is important to remember that the SALT II Treaty was never ratified and would have now expired.

It is clear beyond a doubt that the Soviets have violated SALT II and other arms control agreements and are continuing to do so. Examining SALT II alone, there are at least four clear major violations. The Soviets are: Producing the SS-25 ICBM; exceeding the strategic nuclear delivery vehicle limit; encrypting telemetry; and concealing the association between a missile and its launcher. Any one of these violations could be grounds for cancellation of the agreement. In 1979, President Carter stated that a violation of any important part of the agreement, as each of these noted violations are, "* * * would be a basis on which to reject the treaty in its entirety." SALT II is much more than arbitrary sublimits. Soviet compliance with the sublimits is not the same as compliance with the whole treaty. The SALT II Treaty includes many other important provisions which cannot be ignored. While many Members of Congress have chosen to narrowly focus on this one part of the treaty, they have blindly ignored the other, more important parts. When presenting the SALT II agreements to the Senate, the Carter administration emphasized the importance of these other parts, like the prohibition on encrypting telemetry. As President Carter told us before a joint session of Congress, "A violation of the encryption provisions would be just as serious as a violation of the limits of strategic weapons themselves." According to former Under Secretary of Defense Fred Ikle, who has been very involved with this issue since the early 1970's, the provisions concerning encryption of telemetry are much more important to the United States and it took a lot of very difficult negotiating to get the Soviets to reach the final, resulting agreement on this issue. By ignoring the Soviet violations in this field and unilaterally observing less important sublimits, we have given the Soviets exactly what they wanted but could not obtain during the SALT II negotiations. Such actions have very serious, negative impacts on our future attempts to negotiate with the Soviets. They will know if they can't get something at the bargaining table, they can always to Congress.

This amendment calling for one-sided arms control through selective compliance with SALT II undercuts the United States response to Soviet violations and compromises the ability of United States negotiators in Geneva to gain effective verification provisions in new agreements. Is that what we want, to jeopardize the work of our negotiators? Right now, they are working on START—an agreement far superior to SALT because it would actually reduce and eliminate strategic nuclear missiles, not just control their increase as SALT does. Should we continue to look backward and tie ourselves to obsolete, ineffective agreements at the expense of new, significant arms reductions pacts? I certainly hope not. With the forthcoming Moscow summit just around the corner, we should not be unilaterally legislating arms control. We should not be taking away our own—not their—negotiating options. I want the summit and subsequent negotiations to work. That is why I am listening to our negotiators—the experts in Geneva—and opposing this amendment.

This amendment cannot meaningfully restrain Soviet forces nor can it bring the Soviets back into compliance with its past commitments. It can hurt our own and our allies' national security and future arms control agree-

ments. First, it keeps us from continuing the strategic modernization we need to maintain a credible defense against the growing, unchecked Soviet threat. In planning our forces, we have to look at the real threat this country and its allies face. It makes no sense whatsoever to base our national security on a flawed treaty that was never ratified, that has expired, and that the Soviets knowingly and willingly violate anyway.

Second, this amendment can send exactly the wrong signal to the Soviet leadership, who are now engaged in serious discussions with us about not the limitation but the reduction of nuclear weapons in Europe. If we are unwilling to maintain deterrence or take appropriate actions in response to Soviet noncompliance, our credibility at the arms negotiation table will be endangered and our ability to secure fair, equal agreements will be seriously lessened. The passage of this legislation will not help our current arms control efforts, it will hinder them—it will signal to the Soviets that Congress is not behind the American negotiators. Furthermore, by ignoring Soviet noncompliance, we signal to them that not only can they violate arms control commitments with impunity, but they can pick and choose which provisions of bilateral agreements they wish to honor. Such an arrangement would effectively give the Soviet Union a "line-item veto" over our arms control agreements.

The big buildup some people are predicting without SALT has been going on under SALT and continues. The Soviets right now, under SALT, have a huge buildup scheduled. Unilateral American adherence to sublimits will not affect the Soviets plans, it will only hurt our national security. SALT II has codified a vast increase in Soviet strategic forces allowing them to almost double its inventory of strategic ballistic-missile warheads and could further increase these numbers substantially under SALT. This amendment, though, would force the United States to destroy some of the weapons we have already deployed. Thus, we lose credibility and capability.

Let me elaborate on that point. The second constraint—1,200 MIRV'd ballistic missile launchers—is ineffective in constraining Soviet strategic warhead growth. In the 7 years since signing SALT II the Soviet Union has almost doubled its inventory of strategic weapons, from about 5,000 in 1972 to over 9,000 today. Even though both sides are near the 1,200 limit now, it will not prevent further potential growth in warheads. The Soviets could deploy over 12,000 warheads by 1990, even if they stay within the quantitative sublimits of SALT II. Clearly a better agreement is needed. We are working on that agreement—start—right now. Why jeopardize it and future agreements with this amendment?

While the Soviets have been disregarding SALT II, the President has "gone that extra mile." We retired two older Poseidon submarines so that a new Trident vessel would not exceed any of the SALT II limits. Before deploying the 131st missile armed B-52, the United States gave the Soviet Union ample opportunity to make a jesture showing their commitment to the SALT agreement. Instead, the Soviets made no policy changes and continue to improve their arsenal at our expense. The Soviets must be shown that we are serious about our defense and keeping arms control agreements mutually beneficial. The President has responsibly pursued this policy with his May 27 interim restraint decision.

This fundamental flaw of SALT II, coupled with Soviet violations, clearly indicates the need for a different approach. To get the Soviets to bargain seriously toward reductions, we need to keep our flexibility. That means we need to keep our program for rebuilding our defenses on track—including the other 50 Peacekeeper missiles. Our Modernization Program is not only essential to keeping the peace, but it's the strongest incentive the Soviets have to agree with us on real reductions that can be verified and that the Soviet Union will comply with.

The President's policy is to continue to exercise restraint in meeting strategic needs and anticipates no appreciable numerical growth in U.S. strategic forces. Assuming no significant change in threat, the United States will not deploy more nuclear delivery systems or strategic ballistic missile warheads than the Soviet Union. Our policy continues to be one of restraint and pursuit of arms reduction. Soviet actions to exercise restraint and take other constructive steps will be taken into account when the next modernization milestone is reached. If the Soviet Union wants and demonstrates restraint, then there will be restraint. We have agreed to this long ago. The ball is, so to speak, in the Soviet's court.

Today's focus should be on current efforts looking for real, verifiable reductions in nuclear arms, not on SALT II, a relic of the past which only allowed controlled building, not reductions. With the Dicks amendment, Democrats are again focusing on the past and trying to hold onto ineffective, flawed and obsolete policies. I am more concerned with obtaining a real, mutually beneficial, working arms control agreement than blindly supporting an ineffective piece of signed paper. We can't tie one hand behind our back at this critical moment. Unequal, one-sided restraint is not real arms control. We need to support current efforts moving toward genuine mutual restraint and real reductions.

Mr. Dicks amendment is seriously flawed because it views the SALT II Treaty only as a series of sublimits. We all know SALT II is more than that. If we are serious about realistic, mutually-beneficial arms control agreements, then I urge my colleagues to reject the Dicks amendment.

The CHAIRMAN pro tempore (Mr. GRAY of Illinois). The question is on the amendment offered by the gentleman from Washington [Mr. DICKS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DICKS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 240, noes 174, not voting 17, as follows:

[Roll No. 71]

AYES—240

Ackerman	Alexander	Andrews
Akaka	Anderson	Annunzio
Anthony	Ford (TN)	Natcher
Applegate	Frank	Neal
Aspin	Frost	Nowak
Atkins	Garcia	Oakar
AuCoin	Gaydos	Oberstar
Barnard	Gejdenson	Obey
Bates	Gephardt	Olin
Beilenson	Glickman	Ortiz
Bennett	Gonzalez	Owens (NY)
Berman	Gordon	Owens (UT)
Bevill	Grandy	Panetta
Bilbray	Grant	Pease
Boehlert	Gray (IL)	Pelosi
Boggs	Gray (PA)	Penny
Boland	Green	Pepper
Bonior	Hall (OH)	Perkins
Bonker	Hamilton	Pickle
Borski	Hatcher	Price
Bosco	Hawkins	Pursell
Boucher	Hayes (IL)	Rangel
Boxer	Hefner	Richardson
Brennan	Henry	Ridge
Brooks	Hertel	Robinson
Brown (CA)	Hochbrueckner	Rodino
Brown (CO)	Horton	Roe
Bruce	Hoyer	Rose
Bryant	Huckaby	Rostenkowski
Bustamante	Hughes	Rowland (GA)
Campbell	Jacobs	Roybal
Cardin	Jeffords	Russo
Carper	Jenkins	Sabo
Carr	Johnson (CT)	Saiki
Chapman	Johnson (SD)	Savage
Clarke	Jones (NC)	Sawyer
Clay	Jones (TN)	Scheuer
Clement	Jontz	Schneider
Clinger	Kanjorski	Schroeder
Coelho	Kaptur	Schumer
Coleman (TX)	Kastenmeier	Sharp
Collins	Kennedy	Shays
Conte	Kennelly	Sikorski
Conyers	Kildee	Skaggs
Cooper	Kleczka	Slattery
Coyne	Kolter	Slaughter (NY)
Crockett	Kostmayer	Smith (FL)
Darden	LaFalce	Smith (IA)
Davis (MI)	Lantos	Snowe
de la Garza	Leach (IA)	Solarz
DeFazio	Lehman (CA)	Spratt
Dellums	Lehman (FL)	St Germain
Derrick	Leland	Staggers
Dicks	Levin (MI)	Stallings
Dingell	Levine (CA)	Stark
Dixon	Lewis (GA)	Studds
Donnelly	Lowry (WA)	Swift
Dorgan (ND)	Luken, Thomas	Synar
Dowdy	MacKay	Tauke
Downey	Manton	Thomas (GA)
Durbin	Markey	Torres
Dwyer	Martinez	Torricelli
Dymally	Matsui	Towns
Early	Mavroules	Traficant
Eckart	Mazzoli	Traxler
Edwards (CA)	McCloskey	Udall
Erdreich	McCurdy	Vento
Espy	McHugh	Visclosky
Evans	McMillen (MD)	Volkmer
Fascell	Mfume	Walgren
Fawell	Miller (CA)	Watkins
Fazio	Mineta	Waxman
Feighan	Moakley	Weiss
Fish	Moody	Wheat
Flake	Morella	Williams
Flippo	Morrison (CT)	Wise
Florio	Morrison (WA)	Wolpe
Foglietta	Mrazek	Wyden
Foley	Murphy	Yates
Ford (MI)	Nagle	Yatron

NOES—174

Archer	Byron	DeLay
Armey	Callahan	DeWine
Baker	Chandler	Dickinson
Ballenger	Cheney	DioGuardi
Bartlett	Coats	Dornan (CA)
Barton	Coble	Dreier
Bateman	Coleman (MO)	Dyson
Bereuter	Combest	Edwards (OK)
Bilirakis	Coughlin	English
Bliley	Courter	Fields
Boulter	Craig	Frenzel
Broomfield	Crane	Gallegly
Buechner	Dannemeyer	Gallo
Bunning	Daub	Gekas
Burton	Davis (IL)	Gilman

Gingrich	Martin (IL)	Schulze
Goodling	Martin (NY)	Sensenbrenner
Gradison	McCandless	Shaw
Gregg	McCollum	Shumway
Gunderson	McCrery	Shuster
Hall (TX)	McDade	Sisisky
Hammerschmidt	McEwen	Skeen
Hansen	McGrath	Skelton
Harris	McMillan (NC)	Slaughter (VA)
Hastert	Meyers	Smith (NE)
Hefley	Michel	Smith (NJ)
Herger	Miller (OH)	Smith (TX)
Hiler	Miller (WA)	Smith, Denny (OR)
Holloway	Molinari	
Hopkins	Mollohan	Smith, Robert (NH)
Houghton	Montgomery	
Hubbard	Moorhead	Smith, Robert (OR)
Hunter	Murtha	
Hutto	Myers	Solomon
Hyde	Nelson	Spence
Inhofe	Nichols	Stangeland
Ireland	Nielson	Stenholm
Kasich	Oxley	Stratton
Kemp	Packard	Stump
Kolbe	Parris	Sundquist
Konnyu	Pashayan	Sweeney
Kyl	Patterson	Swindall
Lagomarsino	Petri	Tallon
Lancaster	Pickett	Tauzin
Leath (TX)	Porter	Taylor
Lent	Quillen	Thomas (CA)
Lewis (CA)	Ravenel	Upton
Lewis (FL)	Regula	Valentine
Lightfoot	Rhodes	Vander Jagt
Lipinski	Rinaldo	Vucanovich
Livingston	Ritter	Walker
Lloyd	Roberts	Weber
Lott	Rogers	Weldon
Lowery (CA)	Roth	Whittaker
Lujan	Roukema	Whitten
Lukens, Donald	Rowland (CT)	Wolf
Lungren	Saxton	Wylie
Madigan	Schaefer	Young (AK)
Marlenee	Schuette	Young (FL)

NOT VOTING—17

Badham	Gibbons	Rahall
Bentley	Guarini	Ray
Biaggi	Hayes (LA)	Stokes
Chappell	Latta	Wilson
Duncan	Mack	Wortley
Emerson	Mica	

Mr. Stokes for, with Mr. Mack against.

□ 1359

The Clerk announced the following pair:

On this note:

Mr. HENRY changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. ASPIN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. FOLEY] having assumed the chair, Mr. GRAY of Illinois, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4264) to authorize appropriations for the fiscal year 1989 amended budget request for military functions of the Department of Defense and to prescribe military personnel levels for such Department for fiscal year 1989, to amend the National Defense Authorization Act for fiscal years 1988 and 1989, and for other purposes had come to no resolution thereon.

□ 1400

GENERAL LEAVE

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on H.R. 4264, the bill just considered.

The SPEAKER pro tempore (Mr. FOLEY). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

VETERANS' EMPLOYMENT, TRAINING, AND COUNSELING AMENDMENTS OF 1987

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 999) to amend title 38, United States Code, and the Veterans' Job Training Act to improve veterans employment, counseling, and job-training services and programs, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Clerk read the Senate bill, as follows:

S. 999

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

SECTION 1. SHORT TITLE; REFERENCE TO TITLE 38, UNITED STATES CODE.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Employment, Training, and Counseling Amendments of 1987".

(b) REFERENCES TO TITLE 38.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. ADMINISTRATION OF EMPLOYMENT AND TRAINING PROGRAMS.

(a) Section 2002A is amended—

(1) by inserting "(a)" before "There"; and

(2) by adding at the end the following new subsections:

"(b) The Secretary shall—

"(1) carry out all provisions of this chapter through the Assistant Secretary of Labor for Veterans' Employment and Training and administer through such Assistant Secretary all programs under the jurisdiction of the Secretary for the provision of employment and training services designed to meet the needs of disabled veterans, veterans of the Vietnam era, and all other eligible veterans and eligible persons;

"(2) in order to make maximum use of available resources, encourage all such programs and all grantees under such programs to enter into cooperative arrangements with private industry and business concerns (including small business concerns), educational institutions, trade associations, and labor unions;

"(3) ensure that maximum effectiveness and efficiency are achieved in providing services and assistance to eligible veterans under all such programs by coordinating and consulting with the Administrator with respect to (A) programs conducted under other provisions of this title, with particular emphasis on coordination of such programs with readjustment counseling activities carried out under section 612A of this title, apprenticeship or other on-job training programs carried out under section 1787 of this title, and rehabilitation and training activities carried out under chapter 31 of this title, and (B) the Veterans' Job Training Act (Public Law 98-77, 29 U.S.C. 1721 note);

"(4) ensure that job placement activities are carried out in coordination and cooperation with appropriate State public employment service officials;

"(5) subject to subsection (c)(2) of this section, make available for use in each State, directly or by grant or contract, such funds as may be necessary (A) to support (i) disabled veterans' outreach program specialists appointed under paragraph (1) of section 2003A(a) of this title, and (ii) local veterans' employment representatives assigned under section 2004(b) of this title, and (B) to support the reasonable expenses of such specialists and representatives for training, travel, supplies, and fringe benefits, including travel expenses and per diem for attendance at the National Veterans' Employment and Training Service Institute established under section 2010A of this title;

"(6) monitor and supervise on a continuing basis the distribution and use of funds provided for use in the States under this paragraph (5) of this subsection; and

"(7) monitor the appointment of disabled veterans' outreach specialists and the assignment of local veterans' employment representatives in order to ensure compliance with the provisions of section 2003A(a)(1) and 2004(a)(4), respectively.

"(c)(1) The distribution and use of funds under subsection (b)(5) of this section in order to carry out sections 2003A(a) and 2004(a) of this title shall be subject to the continuing supervision and monitoring of the Secretary and shall not be governed by the provisions of any other law, or any regulations prescribed thereunder, that are inconsistent with this section or section 2003A or 2004 of this title.

"(2) In determining the terms and conditions of a grant or contract under which funds are made available in a State under subsection (b)(5) of this section in order to carry out section 2003A(a) or 2004 (a) and (b) of this title, the Secretary shall take into account (A) the evaluations, carried out pursuant to section 2003(c)(13) of this title, of the performance of local employment offices in the State, and (B) the results of the monitoring, carried out pursuant to paragraph (1) of this subsection, of the use of funds under subsection (b)(5) of this section.

"(d) The Secretary shall assign to each region for which the Secretary operates a regional office a representative of the Veterans' Employment and Training Service to serve as the Regional Director for Veterans' Employment and Training.".

(b) CONFORMING AND CLERICAL AMENDMENTS.—(1) Section 2003A is amended—

(A) in subsection (a)—

(i) by striking out paragraphs (1), (3), and (5) and redesignating paragraphs (2) and (4) as paragraphs (1) and (2), respectively;

(ii) in paragraph (1) (as so redesignated)—

(I) by amending the first sentence to read as follows: "The amount of funds made available for use in a State under section

2002A(b)(5)(A)(i) of this title shall be sufficient to support the appointment of one disabled veterans' outreach program specialist for each 5,300 veterans of the Vietnam era and disabled veterans residing in such State";

(II) in the third, fourth, and fifth sentences, by inserting "qualified" before "disabled" each place it appears; and

(III) in the fifth sentence, by inserting "qualified" after "any"; and

(iii) in paragraph (2) (as so redesignated), by striking our "paragraph (2) of"; and

(B) by striking out subsection (d).

(2) Section 2006 is amended—

(A) in subsection (a), by striking out the last sentence; and

(B) in subsection (d), by striking out "of Labor, upon the recommendation of the Assistant Secretary of Labor for Veterans' Employment,".

(3)(A) Section 2009 is repealed.

(B) The table of sections at the beginning of chapter 41 is amended by striking out the item relating to section 2009.

SEC. 3. LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES.

(a) IN GENERAL.—(1) Section 2004 is amended to read as follows:

"§ 2004. Local veterans' employment representatives

"(a)(1) The total of the amount of funds made available for use in the States under section 2002A(b)(5)(A)(ii) of this title shall be sufficient to support the assignment of 1,600 full-time local veterans' employment representatives and the States' administrative expenses associated with the assignment of that number of such representatives and shall be allocated to the several States so that each State receives funding sufficient to support—

"(A) the number of such representatives who were assigned in such State on January 1, 1987, plus one additional such representative;

"(B) the percentage of the 1,600 such representatives for which funding is not provided under clause (A) of this paragraph which is equal to the average of (i) the percentage of all veterans residing in the United States who reside in such State, (ii) the percentage of the total of all eligible veterans and eligible persons registered for assistance with local employment offices in the United States who are registered for assistance with local employment offices in such State, and (iii) the percentage of all full-service local employment offices in the United States which are located in such State; and

"(C) the State's administrative expenses associated with the assignment of the number of such representatives for which funding is allocated to the State under clauses (A) and (B) of this paragraph.

"(2)(A) The local veterans' employment representatives allocated to a State pursuant to paragraph (1) of this subsection shall be assigned by the administrative head of the employment service in the State, with the concurrence of the State Director for Veterans' Employment and Training, so that as nearly as practical (i) one full-time such representative is assigned to each local employment office at which a total of at least 1,100 eligible veterans and eligible persons is registered for assistance, (ii) one additional full-time such representative is assigned to each such local employment office for each 1,500 such individuals above 1,100 such individuals who are so registered at such office, and (ii) one half-time such representative is assigned to each local employment office at which at least 350 but less than 1,100 such individuals are so registered.

"(B) In the case of a local employment office at which less than 350 such individuals are so registered, the head of such office (or the designee of the head of such office) shall be responsible for ensuring compliance with the provisions of this title providing for priority services for veterans and priority referral of veterans to Federal contractors.

"(3) For the purposes of this subsection, an individual shall be considered to be registered for assistance with a local employment office during a program year if the individual—

"(A) registered, or renewed such individual's registration, for assistance with the office during that program year; or

"(B) so registered or renewed such individual's registration during a previous program year and, in accordance with regulations which the Secretary shall prescribe, is counted as still being registered for administrative purposes.

"(4) Each local veterans' employment representative shall be a veteran. Preference shall be given in the assignment of such representatives to qualified disabled veterans. If the Secretary finds that no qualified disabled veteran is available for any such assignment, such assignment may be given to a qualified veteran who is not a disabled veteran.

"(b) Local veterans' employment representatives shall be assigned, in accordance with this section, by the administrative head of the employment service in each State.

"(c)(1) The services provided by local veterans' employment representatives shall be subject to the functional supervision specified in section 2003(c)(1)(A) of this title.

"(2)(A) Except as provided in subparagraph (B) of this paragraph, the work of local veterans' employment representatives shall be fully devoted to discharging at the local level the duties and functions specified in section 2003 (c)(1)(B) and (c)(2) through (12) of this title.

"(B) The duties of local veterans' employment representatives shall include providing, or facilitating the provision of, counseling services to veterans who, pursuant to section 5(b)(3) of the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note), are certified as eligible for participation under such Act.".

(2) The item relating to such section in the table of sections at the beginning of chapter 41 is amended to read as follows:

"2004. Local veterans' employment representatives.".

(b) BUDGETING.—Section 2006(a) is amended—

(1) in the fifth sentence—

(A) by striking out "to fund the disabled veterans' outreach program under section 2003A" and inserting in lieu thereof "in all of the States for the purposes specified in paragraph (5) of section 2002A(b) of this title and to fund the National Veterans' Employment and Training Service Institute under section 2010A"; and

(B) by striking out "such section" and inserting in lieu thereof "such sections"; and

(2) by amending the sixth sentence to read as follows: "Each budget submission with respect to such funds shall include separate listings of the proposed numbers, by State, of disabled veterans' outreach program specialists appointed under section 2003A(a)(1) of this title and local veterans' employment representatives assigned under section 2004(b) of this title, together with information demonstrating the compliance of such budget submission with the funding requirements specified in the preceding sentence.".

(c) REPORTING REQUIREMENTS.—Subsection (c) of section 2007 is amended to read as follows:

"(c) Not later than February 1 of each year, the Secretary shall report annually to the appropriate committees of the Congress on the success during the preceding fiscal year of the Department of Labor and its affiliated State employment service agencies in carrying out the provisions of this chapter and programs for the provision of employment and training services to meet the needs of veterans. The report shall include—

"(1) specification, by State, of the numbers of eligible veterans, veterans of the Vietnam era, disabled veterans, special disabled veterans, and eligible persons who registered for assistance with the public employment service system and, of each such categories, the numbers referred to and placed in jobs, the numbers referred to and placed in jobs and job training programs supported by the Federal Government, the number counseled, and the number who received some reportable service;

"(2) any determination made by the Secretary during the preceding fiscal year under section 2006 of this title or subsection (a)(2) of this section and a statement of the reasons for such determination;

"(3) a report on activities carried out during the preceding fiscal year under sections 2003A and 2004 of this title; and

"(4) a report on the operation during the preceding fiscal year of programs for the provision of employment and training services designed to meet the needs of veterans, including an evaluation of the effectiveness of such programs during such fiscal year in meeting the requirements of section 2002A(b) of this title, the efficiency with which services were provided under such programs during such year, and such recommendations for further legislative action (including the need for any changes in the formulas governing the appointment of disabled veterans' outreach program specialists under section 2003A(a)(2) of this title and the assignment of local veterans' employment representatives under section 2004(b) of this title and the allocation of funds for the support of such specialists and representatives) relating to veterans' employment as the Secretary considers appropriate.".

SEC. 4. PERFORMANCE OF DISABLED VETERANS' OUTREACH PROGRAM SPECIALISTS AND LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES.

(a) IN GENERAL.—Chapter 41 is amended by inserting after section 2004 the following new section:

"§ 2004A. Performance of disabled veterans' outreach program specialists and local veterans' employment representatives

"(a)(1) After consultation with State employment agencies or their representatives, or both, the Secretary shall prescribe, and provide for the implementation and application of, standards for the performance of disabled veterans' outreach program specialists appointed under section 2003A(a) of this title and local veterans' employment representatives assigned under section 2004(b) of this title and shall monitor the activities of such specialists and representatives.

"(2) Such standards shall be designed to provide for—

"(A) in the case of such specialists, the effective performance at the local level of the duties and functions of such specialists specified in section 2003A (b) and (c) of this title,

"(B) in the case of such representatives, the effective implementation at the local level of the duties and functions specified in paragraphs (1)(B) and (2) through (12) of section 2003(c) of this title, and

"(C) the monitoring and rating activities prescribed by subsection (b) of this section.

"(3) Such standards shall include as one of the measures of the performance of such a specialist the extent to which the specialist, in serving as a case manager under section 14(b)(1)(A) of the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note), facilitates rates of successful completion of training by veterans participating in programs of job training under that Act.

"(4) In entering into an agreement with a State for the provision of funding under section 2002A(b)(5) of this title, the Assistant Secretary of Labor for Veterans' Employment and Training personally may make exceptions to such standards to take into account local conditions and circumstances, including the employment, counseling, and training needs of the eligible veterans and eligible persons served by the office or offices to which the exception would apply.

"(b)(1) State Directors for Veterans' Employment and Training and Assistant State Directors for Veterans' Employment and Training shall regularly monitor the performance of the specialists and representatives referred to in subsection (a)(1) of this section through the application of the standards required to be prescribed by such subsection (a)(1).

"(2) A State Director for Veterans' Employment and Training, or a designee of such Director, shall submit to the head of the employment service in the State recommendations and comments in connection with each annual performance rating of a disabled veterans' outreach program specialist or local veterans' employment representative in the State.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 41 is amended by adding at the end the following:

"2004A. Performance of disabled veterans' outreach program specialists and local veterans' employment representatives.".

SEC. 5. WAIVER OF RESIDENCY REQUIREMENT FOR CERTAIN STATE DIRECTORS FOR VETERANS' EMPLOYMENT AND TRAINING.

Section 2003(b)(1) is amended—

(1) by inserting "(A)" after "(1)";

(2) by redesignating clauses (A) and (B) as clauses (i) and (ii), respectively;

(3) by inserting in clause (i), as redesignated by clause (2), ", except as provided in subparagraph (B) of this paragraph," after "shall"; and

(4) by adding at the end the following new subparagraph:

"(B) The Secretary, where the Secretary determines that it is necessary to consider for appointment as a State Director for Veterans' Employment and Training an eligible veteran who is an Assistant State Director for Veterans' Employment and Training and has served in that capacity for at least 2 years, may waive the requirement in subparagraph (A)(i) of this paragraph that an eligible veteran be a bona fide resident of a State for at least 2 years in order to be eligible to be assigned as a State Director for Veterans' Employment and Training. In the event of such a waiver, preference shall be given to a veteran who meets such residency requirement and is equally as qualified for the position of State Director as such Assistant State Director.".

SEC. 6. SHARING OF INFORMATION REGARDING POTENTIAL EMPLOYERS.

(a) BETWEEN THE DEPARTMENTS OF DEFENSE AND LABOR.—Section 2005 is amended—

(1) by inserting "(a)" before "All"; and

(2) by adding at the end the following new subsection:

"(b) For the purpose of assisting the Secretary and the Administrator in identifying employers with potential job training opportunities under the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note) and otherwise in order to carry out this chapter, the Secretary of Defense shall provide to the Secretary and to the Administrator (1) not more than 30 days after the date of the enactment of this subsection, the then-current list of employers participating in the National Committee for Employer Support of the Guard and Reserve, and (2) thereafter, on the fifteenth day of each month, updated information regarding the list.".

(b) BETWEEN THE VETERANS' ADMINISTRATION AND THE DEPARTMENT OF LABOR.—(1) Section 2008 is amended—

(A) by inserting "(a)" before "In"; and

(B) by adding at the end the following new subsection:

"(b) The Administrator shall require each regional office of the Veterans' Administration to provide to appropriate employment service offices and Department of Labor offices, as designated by the Secretary, on a monthly or more frequent basis, the name and address of each employer located in the area served by such regional office that offers a program of job training which has been approved by the Administrator under section 7 of the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note).".

(2)(A) The heading of section 2008 is amended to read as follows:

"§ 2008. Cooperation and coordination".

(B) The item relating to such section in the table of sections at the beginning of chapter 41 is amended to read as follows:

"2008. Cooperation and coordination.".

SEC. 7. RESPONSIBILITIES OF PERSONNEL.

(a) STATE AND ASSISTANT STATE DIRECTORS FOR VETERANS' EMPLOYMENT AND TRAINING.—Section 2003(c) is amended—

(1) in clause (1)—

(A) by inserting "(A) functionally supervise the provision of services to eligible veterans and eligible persons by such system and such program and their staffs, and (B)" after "(1)"; and

(B) by inserting ", including the program conducted under the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note)" after "programs";

(2) in clause (2), by inserting "and otherwise to promote the employment of eligible veterans and eligible persons" after "opportunities";

(3) in clause (11), by striking out "and" at the end;

(4) in clause (12), by striking out the period and inserting in lieu thereof "; and"; and

(5) by adding at the end the following new clause:

"(13) not less frequently than annually, conduct an evaluation at each local employment office of the services provided to eligible veterans and eligible persons and make recommendations for corrective action as appropriate.".

(b) DISABLED VETERANS' OUTREACH PROGRAM SPECIALISTS.—Section 2003A(c) is amended—

(1) in clause (4), by inserting "(including part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.))" after "programs";

(2) in clause (6), by inserting "(including the program conducted under the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note))" after "programs"; and

(3) by adding at the end the following new clauses:

"(9) Provision of counseling services to veterans with respect to veterans' selection of and changes in vocations and veterans' vocational adjustment.

"(10) Provision of services as a case manager under section 14(b)(1)(A) of the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note).".

SEC. 8. NATIONAL VETERANS' EMPLOYMENT AND TRAINING SERVICE INSTITUTE.

(a) ESTABLISHMENT OF INSTITUTE.—Chapter 41 is further amended by adding at the end the following new section:

"§ 2010A. National Veterans' Employment and Training Service Institute

"In order to provide for such training as the Secretary considers necessary and appropriate for the efficient and effective provision of employment, job-training, placement, and related services to veterans, the Secretary shall establish and make available such funds as may be necessary to operate a National Veterans' Employment and Training Service Institute for the training of disabled veterans' outreach program specialists, local veterans' employment representatives, State Directors for Veterans' Employment and Training, and Assistant State Directors for Veterans' Employment and Training, and such other personnel involved in the provision of employment, job-training, counseling, placement, or related services to veterans as the Secretary considers appropriate.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 41 is further amended by adding at the end the following new item:

"2010A. National Veterans' Employment and Training Service Institute.".

SEC. 9. STUDY OF UNEMPLOYMENT AMONG CERTAIN DISABLED VETERANS AND VIETNAM THEATER VETERANS.

(a) IN GENERAL.—Chapter 41 is further amended by adding at the end the following new section:

"§ 2010B. Special unemployment study

"(a) The Secretary, through the Bureau of Labor Statistics, shall conduct, on a biennial basis, studies of unemployment among special disabled veterans and among veterans who served in the Vietnam Theater of Operations during the Vietnam era and promptly report to the Congress on the results of such studies.

"(b) The first study under this section shall be completed not later than July 1, 1988.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 41 is amended by adding at the end the following new item:

"2010B. Special unemployment study.".

SEC. 10. SECRETARY'S COMMITTEE ON VETERANS' EMPLOYMENT.

Clause (1) of section 2010(b) is amended—

(1) by redesignating subclauses (D), (E), and (F) as subclauses (E), (F), and (G), respectively;

(2) by inserting after subclause (C) a subclause, as follows:

"(D) the Secretary of Education;"

(3) by striking out "and" at the end of subclause (F) (as so redesignated);

(4) by adding at the end the following new subclause:

"(H) the Postmaster General; and".

SEC. 11. VETERANS' JOB TRAINING ACT AMENDMENTS.

(a) EXPANSION OF ELIGIBILITY.—(1) Paragraph (1) of section 5(a) of the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note) is amended to read as follows:

"(1) To be eligible for participation in a job training program under this Act, a veteran must—

"(A) be unemployed at the time of applying for participation in a program under this Act;

"(B)(i) have been unemployed for at least 10 of the 15 weeks immediately preceding the date of such veteran's application for participation in a program under this Act; or

"(ii)(I) have been terminated or laid off from employment as the result of a plant closing or major reduction in the number of persons employed by the veteran's prior employer, and (II) have no realistic opportunity to return to employment in the same or similar occupation in the geographical area where the veteran previously held employment; and

"(C)(i) have served in the active military, naval, or air service for a period of more than 180 days; or

"(ii)(I) have been discharged or released from the active military, naval, or air service for a service-connected disability; or (II) be entitled to compensation (or but for the receipt of retirement pay be entitled to compensation).".

(2) Section 3(3) of such Act is amended—

(A) by striking out "'Korean conflict'" and "(9)"; and

(B) by striking out "'State', and 'Vietnam era'," and "(24), and (29)" and inserting in lieu thereof "and 'State'" and "and (24)", respectively.

(b) COUNSELING.—(1) Section 14 of such Act is amended by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) The Administrator and the Secretary shall jointly provide for—

"(A) a program under which, except as provided in paragraph (2), a disabled veteran's outreach program specialist appointed under section 2003A(a) of title 38, United States Code, is assigned as a case manager for each veteran participating in a program of job training under this Act, the veteran has an in-person interview with the case manager not later than 60 days after entering into a program of training under this Act, and periodic (not less frequent than monthly) contact is maintained with each such veteran for the purpose of (i) avoiding unnecessary termination of employment, (ii) referring the veteran to appropriate counseling, if necessary, (iii) facilitating the veteran's successful completion of such program, and (iv) following up with the employer and the veteran in order to determine the veteran's progress in the program and the outcome regarding the veteran's participation in and successful completion of the program;

"(B) a program of counseling services (to be provided pursuant to subchapter IV of chapter 3 of such title and sections 612A, 2003A, and 2204 of such title) designed to resolve difficulties that may be encountered by veterans during their training under this Act; and

"(C) a program of information services under which (i) each veteran who enters into a program of job training under this Act and each employer participating under this Act is informed of the supportive services and resources available to the veteran (I) under subparagraphs (A) and (B), (II) through Veterans' Administration counseling and career-development activities (especially, in the case of a Vietnam-era veteran, readjustment counseling services under section 612A of such title) and under part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.), and (III) through other appropriate agencies in the community, and (ii) veterans and employers are encouraged to request such services whenever appropriate.

"(2) No case manager still be assigned pursuant to paragraph (1)(A) in the case of the employees of an employer if the Secretary determines that—

"(A) the employer has an appropriate and effective employee assistance program that is available to all veterans participating in the employer's programs of job training under this Act; or

"(B) the rate of veterans' successful completion of the employer's programs of job training under this Act, either cummulatively or during the previous program year, is 60 percent or higher.

"(c) Before a veteran who voluntarily terminates from a program of job training under this Act or is involuntarily terminated from such program by the employer may be eligible to be provided with a further certificate, or renewal of certification, of eligibility for participation under this Act, such veteran must be provided by the Administrator with appropriate vocational counseling in light of the veteran's termination.".

(2) Section 7(d) of such Act is amended—

(A) by redesignating paragraph (12) as paragraph (13); and

(B) inserting after paragraph (11) the following new paragraph:

"(12) That, as applicable, the employer will provide each participating veteran with the full opportunity to participate in a personal interview pursuant to section 14(b)(1)(A) during the veteran's normal workday.".

(c) DISCONTINUANCE OF APPROVAL OF PARTICIPATION IN PROGRAMS OF EMPLOYERS WITH UNSATISFACTORY COMPLETION RATES.—Section 11 of such Act is amended—

(1) by inserting "(a)" after "SEC. 11."; and

(2) by adding at the end the following new subsection:

"(b)(1) If the Secretary, after consultation with the Administrator and in accordance with regulations which the Administrator and the Secretary shall jointly prescribe to carry out this subsection, determines that the rates of veterans' successful completion of an employer's programs of job training previously approved by the Administrator for the purposes of this Act is disproportionately low, the Administrator shall disapprove participation in such programs on the part of veterans who had not begun such participation on the date that the employer is notified of the disapproval.

"(2)(A) A disapproval under paragraph (1) shall remain in effect until such time as the Administrator determines that adequate remedial action has been taken. In determining whether the remedial actions taken by the employer are adequate to ensure future avoidance of a disproportionately low rate of successful completion, the Administrator may, except in the case of an employer which the Secretary determines meets the criteria specified in clause (A) or (B) of section 14(b)(2), consider the likely effects of such actions in combination with the likely effects of using the payment formula described in subparagraph (B) of this paragraph. If the Administrator finds that the combined effects of such actions and such use are adequate to ensure future avoidance of such a rate, the Administrator may revoke the disapproval with the revocation conditioned upon such use for a period of time that the Administrator considers appropriate under the circumstances.

"(B) The payment formula referred to in subparagraph (A) is a formula under which, subject to sections 5(c) and 8(a)(2), the amount paid to the employer on behalf of a veteran shall be—

"(i) in the case of a program of job training of 4 or more months duration—

"(I) for the first 4 months of such program, 30 percent of the product of the starting hourly rate of wages paid to the veteran by the employer (without regard to overtime or premium pay) and the number of hours worked by the veteran during such months;

"(II) for any period after the first 4 months, 50 percent of the product of the starting hourly rate of wages paid to the veteran by the employer (without regard to overtime or premium pay) and the number of hours worked by the veteran during that period; and

"(III) upon the veteran's successful completion of the program, the amount that would have been paid, above the amount that was paid, for such first 4 months pursuant to subclause (I) if the percentage specified in subclause (I) were 50 percent rather than 30 percent; and

"(ii) in the case of a program of job training of less than 4 months duration—

"(I) for the months prior to the final scheduled month of the program, 30 percent of the product of the starting hourly rate of wages paid to the veteran by the employer (without regard to overtime or premium pay) and the number of hours worked by the veteran during the months prior to such final scheduled month;

"(II) for the final scheduled month of the program, 50 percent of the product of the actual hourly rate of wages paid to the veteran by the employer (without regard to overtime or premium pay) and the number of hours worked by the veteran during that month; and

"(III) upon the veteran's successful completion of the program, the amount that would have been paid, above the amount that was paid, for the months prior to the final scheduled month of the program pursuant to subclause (I) if the percentage specified in subclause (I) were 50 percent rather than 30 percent.".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 16 of such Act is amended—

(1) by inserting "(a)" before "There";

(2) in subsection (a) (as so designated)—

(A) by inserting after the first sentence the following new sentence: "There is also authorized to be appropriated, in addition to the appropriations authorized by the preceding sentence, $60,000,000 for each of the fiscal years 1988 and 1989 for the purpose of

making payments to employers under this Act."; and

(B) in the final sentence, by striking out "1989" and inserting in lieu thereof "1991"; and

(3) by adding at the end the following new subsection:

"(b) Notwithstanding any other provision of law, any funds appropriated under subsection (a) for any fiscal year which are obligated for the purpose of making payments under section 8 on behalf of a veteran (including funds so obligated which previously had been obligated for such purpose on behalf of another veteran and were thereafter deobligated) and are later deobligated shall immediately upon deobligation become available to the Administrator for obligation for such purpose. The further obligation of such funds by the Administrator for such purpose shall not be required, directly or indirectly, to be delayed in any manner by any officer or employee in the executive branch.".

(e) DEADLINES FOR VETERANS' APPLICATIONS AND ENTRY INTO TRAINING.—Section 17 of such Act is amended to read as follows:

"SEC. 17. Assistance may not be paid to an employer under this Act—

"(1) on behalf of a veteran who initially applies for a program of job training under this Act after June 30, 1989; or

"(2) for any such program which begins after December 31, 1989.".

(f) CONFORMING AMENDMENT.—Section 5(b)(3)(A) of such Act is amended by striking out "The" at the beginning of the first sentence and inserting in lieu thereof "Subject to section 14(c), the".

(g) DATA ON PARTICIPATION.—Section 15 of such Act is amended by adding at the end the following new subsection:

"(f) The Secretary shall, on a not less frequent than quarterly basis, collect from the heads of State employment services and State Directors for Veterans' Employment and Training information available to such heads and Directors, and derived from programs carried out in their respective States, with respect to the numbers of veterans who receive counseling services pursuant to section 14, who are referred to employers participating under this Act, who participate in programs of job training under this Act, and who complete such programs, and the reasons for veterans' noncompletion.".

SEC. 12. REVISIONS OF NOMENCLATURE.

(a) SECRETARY OF LABOR.—(1) Section 2001 is amended by adding at the end the following new paragraph:

"(7) The term 'Secretary' means the Secretary of Labor.".

(2) Sections 2002A, 2003 (a) and (b)(2), 2005(a) (as redesignated by the amendment made by section 6(a)(1)), 2006(a), 2007, 2008(a) (as redesignated by the amendment made by section 6(b)(1)), and 2010(b) are amended by striking out "Secretary of Labor" each place it appears except where preceded by "Assistant" and inserting in lieu thereof "Secretary".

(3) The first sentence of section 2010(b) is amended by striking out "The" and inserting in lieu thereof "Notwithstanding section 2002A(b)(1) of this title, the".

(b) ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT AND TRAINING.—(1) Sections 2000(2), 2002, 2002A(a) (as redesignated by section 2(a)) and 2010(b) are amended by inserting "and Training" after "Assistant Secretary of Labor for Veterans' Employment" each place it appears.

(2)(A) The heading of section 2002A is amended to read as follows:

"§ 2002A. Assistant Secretary of Labor for Veterans' Employment and Training; national programs".

(B) The item relating to such section in the table of sections at the beginning of chapter 41 is amended to read as follows:

"2002A. Assistant Secretary of Labor for Veterans' Employment and Training; national programs.".

(c) STATE AND ASSISTANT STATE DIRECTORS FOR VETERANS' EMPLOYMENT AND TRAINING.—(1) Sections 2003 and 2003A(b)(2) are amended by inserting "and Training" after "State Directors for Veterans' Employment" and "Assistant State Director for Veterans' Employment" each place those terms appear.

(2)(A) The heading of section 2003 is amended to read as follows:

"§ 2003. State and Assistant State Directors for Veterans' Employment and Training".

(B) The item relating to such section in the table of sections at the beginning of chapter 41 is amended to read as follows:

"2003. State and Assistant State Directors for Veterans' Employment and Training.".

SEC. 13. EFFECTIVE DATE.

The provisions of and amendments made by this Act shall take effect on October 1, 1987.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. MONTGOMERY

Mr. MONTGOMERY. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. MONTGOMERY: Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; REFERENCE TO TITLE 38, UNITED STATES CODE.

(a) SHORT TITLE.—This act may be cited as the "Veterans' Employment, Training, and Counseling Amendments of 1988".

(b) REFERENCES TO TITLE 38.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. ADMINISTRATION OF EMPLOYMENT AND TRAINING PROGRAMS.

(a) IN GENERAL.—Section 2002A is amended—

(1) by inserting "(a)" before "There"; and

(2) by adding at the end the following new subsection:

"(b) The Secretary shall—

"(1) except as expressly provided otherwise, carry out all provisions of this chapter and chapter 43 of this title through the Assistant Secretary of Labor for Veterans' Employment and Training and administer through such Assistant Secretary all programs under the jurisdiction of the Secretary for the provision of employment and training services designed to meet the needs of disabled veterans, veterans of the Vietnam era, and all other eligible veterans and eligible persons;

"(2) in order to make maximum use of available resources in meeting such needs, encourage all such programs and all grantees under such programs to enter into cooperative arrangements with private industry and business concerns (including small business concerns), educational institutions, trade associations, and labor unions;

"(3) ensure that maximum effectiveness and efficiency are achieved in providing services and assistance to eligible veterans under all such programs by coordinating and consulting with the Administrator with respect to (A) programs conducted under other provisions of this title, with particular emphasis on coordination of such programs with readjustment counseling activities carried out under section 612A of this title, apprenticeship or other on-the-job training programs carried out under section1787 of this title, and rehabilitation and training activities carried out under chapter 31 of this title, and (B) the Veterans' Job Training Act (29 U.S.C. 1721 note);

"(4) ensure that job placement activities are carried out in coordination and cooperation with appropriate State public employment service officials;

"(5) subject to subsection (c)(2) of this section, make available for use in each State, directly or by grant or contract, such funds as may be necessary (A) to support (i) disabled veterans' outreach program specialists appointed under section 2003A(a)(1) of this title, and (ii) local veterans' employment representatives assigned under section 2004(b) of this title, and (B) to support the reasonable expenses of such specialists and representatives for training, travel, supplies, and fringe benefits, including travel expenses and per diem for attendance at the National Veterans' Employment and Training Services Institute established under section 2009 of this title;

"(6) monitor and supervise on a continuing basis the distribution and use of funds provided for use in the States under paragraph (5) of this subsection; and

"(7) monitor the appointment of disabled veterans' outreach specialists and the assignment of local veterans' employment representatives in order to ensure compliance with the provisions of sections 2003A(a)(1) and 2004(a)(4), respectively, of this title.

"(c)(1) The distribution and use of funds under subsection (b)(5) of this section in order to carry out sections 2003A(a) and 2004(a) of this title shall be subject to the continuing supervision and monitoring of the Secretary and shall not be governed by the provisions of any other law, or any regulations prescribed thereunder, that are inconsistent with this section or section 2003A or 2004 of this title.

"(2) In determining the terms and conditions of a grant or contract under which funds are made available in a State in order to carry out section 2003A or 2004 of this title, the Secretary shall take into account (A) the results of the evaluations, carried out pursuant to section 2003(c)(15) of this title, of the performance of local employment offices in the State, and (B) the monitoring carried out under this section.

"(3) Each grant or contract by which funds are made available in a State shall contain a provision requiring the recipient of the funds to comply with the provisions of this chapter.

"(d) The Assistant Secretary of Labor for Veterans' Employment and Training shall promote and monitor participation of qualified veterans and eligible persons in employment and training opportunities under the Job Training Partnership Act and other federally funded employment and training programs.

"(e)(1) The Secretary shall assign to each region for which the Secretary operates a regional office a representative of the Veter-

ans' Employment and Training Service to serve as the Regional Administrator for Veterans' Employment and Training in such region.

"(2) Each such Regional Administrator shall be responsible for—

"(A) ensuring the promotion, operation, and implementation of all veterans' employment and training programs and services within the region;

"(B) monitoring compliance with section 2012 of this title with respect to veterans' employment under Federal contracts within the region;

"(C) protecting and advancing veterans' reemployment rights within the region; and

"(D) coordinating, monitoring, and providing technical assistance on veterans' employment and training programs with respect to all entities receiving funds under grants from or contracts with the Department of Labor within the region.".

(b) BUDGETING.—Section 2006(a) is amended—

(1) in the fifth sentence—

(A) by striking out "to fund the disabled veterans' outreach program under section 2003A" and inserting in lieu thereof "in all of the States for the purposes specified in paragraph (5) of section 2002A(b) of this title and to fund the National Veterans' Employment and Training Services Institute under section 2009";

(B) by striking out "such section" and inserting in lieu thereof "such sections"; and

(2) by striking out sixth sentence and inserting in lieu thereof the following: "Each budget submission with respect to such funds shall include separate listings of the amount for the National Veterans' Employment and Training Services Institute and of the proposed numbers, by State, of disabled veterans' outreach program specialists appointed under section 2003A of this title and local veterans' employment representatives assigned under section 2004 of this title, together with information demonstrating the compliance of such budget submission with the funding requirements specified in the preceding sentence.".

(c) USE OF ADMINISTRATIVE FUNDS.—Section 2006(d) is amended by striking out ", exept with" and all that follows through ", except with" and all that follows through "purpose".

(d) REPORTING REQUIREMENTS.—Section 2007(c) is amended to read as follows:

"(c) Not later than February 1 of each year, the Secretary shall report to the Committees on Veterans' Affairs of the Senate and the House of Representatives on the success during the preceding program year of the Department of Labor and its affiliated State employment service agencies in carrying out the provisions of this chapter and programs for the provision of employment and training services to meet the needs of eligible veterans and eligible persons. The report shall include—

"(1) specification, by State and by age group, of the numbers of eligible veterans, veterans of the Vietnam era, disabled veterans, special disabled veterans, and eligible persons who registered for assistance with the public employment service system and, for each of such categories, the numbers referred to and placed in permanent and other jobs, the numbers referred to and placed in jobs and job training programs supported by the Federal Government, the number counseled, and the number who received some, and the number who received no, reportable service;

"(2) a comparison of the job placement rate for each of the categories of veterans and persons described in clause (1) of this subsection with the job placement rate for nonveterans of the same age groups registered for assistance with the public employment system in each State;

"(3) any determination made by the Secretary during the preceding fiscal year under section 2006 of this title or subsection (a)(2) of this section and a statement of the reasons for such determination;

"(4) a report on activities carried out during the preceding program year under sections 2003A and 2004 of this title; and

"(5) a report on the operation during the preceding program year of programs for the provision of employment and training services designed to meet the needs of eligible veterans and eligible persons, including an evaluation of the effectiveness of such programs during such program year in meeting the requirements of section 2002A(b) of this title, the efficiency with which services were provided through such programs during such year, and such recommendations for further legislative action (including the need for any changes in the formulas governing the appointment of disabled veterans' outreach program specialists under section 2003A(a)(2) of this title and the assignment of local veterans' employment representatives under section 2004(b) of this title and the allocation of funds for the support of such specialists and representatives) relating to veterans' employment and training as the Secretary considers appropriate.".

(e) CONFORMING, TECHNICAL, AND CLERICAL AMENDMENTS.—(1) Section 2003A is amended—

(A) in subsection (a)—

(i) by striking out paragraphs (1), (3), and (5) and redesignating paragraphs (2) and (4) as paragraphs (1) and (2), respectively;

(ii) in paragraph (1) (as so redesignated)—

(I) by amending the first sentence to read as follows: "The amount of funds made available for use in a State under section 2002A(b)(5)(A)(i) of this title shall be sufficient to support the appointment of one disabled veterans' outreach program specialist for each 5,300 veterans of the Vietnam era and disabled veterans residing in such State.";

(II) in the second sentence, by inserting "qualified" before "veteran";

(III) in the third, fourth, and fifth sentences, by inserting "qualified" before "disabled" each place it appears; and

(IV) in the fifth sentence, by inserting "qualified" after "any"; and

(iii) in paragraph (2) (as so redesignated) by striking out "paragraph (2) of"; and

(B) by striking out subsection (d).

(2) Section 2006(a) is amended by striking out the last sentence.

(3)(A) The section heading of section 2002A is amended to read as follows:

"§ 2002A. Assistant Secretary of Labor for Veterans' Employment and Training; Regional Administrators".

(B) The table of contents of chapter 41 is amended by striking out the item relating to section 2002A and inserting in lieu thereof the following:

"2002A. Assistant Secretary of Labor for Veterans' Employment and Training; Regional Administrators.".

SEC. 3. LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES.

(a) IN GENERAL.—Section 2004 is amended to read as follows:

"§ 2004. Local veterans' employment representatives

"(a)(1) Beginning with fiscal year 1988, the total of the amount of funds made available for use in the States under section 2002A(b)(5)(A)(ii) of this title shall be sufficient to support the assignment of 1,600 full-time local veterans' employment representatives and the States' administrative expenses associated with the assignment of that number of such representatives and shall be allocated to the several States so that each State receives funding sufficient to support—

"(A) the number of such representatives who were assigned in such State on January 1, 1987, for which funds were provided under this chapter, plus one additional such representative;

"(B) the percentage of the 1,600 such representatives for which funding is not provided under clause (A) of this paragraph which is equal to the average of (i) the percentage of all veterans residing in the United States who reside in such State, (ii) the percentage of the total of all eligible veterans and eligible persons registered for assistance with local employment service offices in the United States who are registered for assistance with local employment service offices in such State, and (iii) the percentage of all full-service local employment service offices in the United States which are located in such State; and

"(C) the State's administrative expenses associated with the assignment of the number of such representatives for which funding is allocated to the State under clauses (A) and (B) of this paragraph.

"(2)(A) The local veterans' employment representatives allocated to a State pursuant to paragraph (1) of this subsection shall be assigned by the administrative head of the employment service in the State, after consultation with the Director for Veterans' Employment and Training for the State, so that as nearly as practical (i) one full-time representative is assigned to each local employment service office at which at least 1,100 eligible veterans and eligible persons are registered for assistance, (ii) one additional full-time representative is assigned to each local employment service office for each 1,500 eligible veterans and eligible persons above 1,100 who are registered at such office for assistance, and (iii) one half-time representative is assigned to each local employment service office at which at least 350 but less than 1,100 eligible veterans and eligible persons are registered for assistance.

"(B) In the case of a service delivery point (other than a local employment service office described in subparagraph (A) of this paragraph) at which employment services are offered under the Wagner-Peyser Act, the head of such service delivery point shall be responsible for ensuring compliance with the provisions of this title providing for priority services for veterans and priority referral of veterans to Federal contractors.

"(3) For the purposes of this subsection, an individual shall be considered to be registered for assistance with a local employment service office during a program year if the individual—

"(A) registered, or renewed such individual's registration, for assistance with the office during that program year; or

"(B) so registered or renewed such individual's registration during a previous program year and, in accordance with regulations which the Secretary shall prescribe, is

counted as still being registered for administrative purposes.

"(4) In the assigning of local veterans' employment representatives on or after July 1, 1988, preference shall be given to qualified eligible veterans or eligible persons. Preference shall be accorded first to qualified service-connected disabled veterans; then, if no such disabled veteran is available, to qualified eligible veterans; and, if no such eligible veteran is available, then to qualified eligible persons.

"(b) Local veterans' employment representatives shall—

"(1) functionally supervise the providing of services to eligible veterans and eligible persons by the local employment service staff;

"(2) maintain regular contact with community leaders, employers, labor unions, training programs, and veterans' organizations for the purpose of (A) keeping them advised of eligible veterans and eligible persons available for employment and training, and (B) keeping eligible veterans and eligible persons advised of opportunities for employment and training;

"(3) provide directly, or facilitate the provision of, labor exchange services by local employment service staff to eligible veterans and eligible persons, including intake and assessment, counseling, testing, job-search assistance, and referral and placement;

"(4) encourage employers and labor unions to employ eligible veterans and eligible persons and conduct on-the-job training and apprenticeship programs for such veterans and persons;

"(5) promote and monitor the participation of veterans in federally funded employment and training programs, monitor the listing of vacant positions with State employment agencies by Federal agencies, and report to the Director for Veterans' Employment and Training for the State concerned any evidence of failure to provide priority or other special consideration in the provision of services to veterans as is required by law or regulation;

"(6) monitor the listing of jobs and subsequent referrals of qualified veterans as required by section 2012 of this title;

"(7) work closely with appropriate Veterans' Administration personnel engaged in providing counseling or rehabilitation services under chapter 31 of this title, and cooperate with employers in identifying disabled veterans who have completed or are participating in a vocational rehabilitation training program under such chapter and who are in need of employment;

"(8) refer eligible veterans and eligible persons to training, supportive services, and educational opportunities, as appropriate;

"(9) assist, through automated data processing, in securing and maintaining current information regarding available employment and training opportunities;

"(10) cooperate with the staff of programs operated under section 612A of this title in identifying and assisting veterans who have readjustment problems and who may need services available at the local employment service office;

"(11) when requested by a Federal or State agency, a private employer, or a service-connected disabled veteran, assist such agency, employer, or veteran in identifying and acquiring prosthetic and sensory aids and devices needed to enhance the employability of disabled veterans; and

"(12) facilitate the provision of guidance or counseling services, or both, to veterans who, pursuant to section 5(b)(3) of the Veterans' Job Training Act (29 U.S.C. 1721 note), are certified as eligible for participation under such Act.

"(c) Each local veterans' employment representative shall be administratively responsible to the manager of the local employment service office and shall provide reports, not less frequently than quarterly, to the manager of such office and to the Director for Veterans' Employment and Training for the State regarding compliance with Federal law and regulations with respect to special services and priorities for eligible veterans and eligible persons.

"(d) Local veterans' employment representatives shall be assigned, in accordance with this section, by the administrative head of the employment service in each State after consultation with the Director for Veterans' Employment and Training.".

(b) DEFINITION.—Section 2001 is amended by adding the following at the end:

"(7) The term 'local employment service office' means a service delivery point which has an intrinsic management structure and at which employment services are offered in accordance with the Wagner-Peyser Act.".

(c) CLERICAL AMENDMENT.—The item for section 2004 in the table of contents for chapter 41 is amended to read as follows:

"2004. Local veterans' employment representatives.".

SEC. 4. PERFORMANCE OF DISABLED VETERANS' OUTREACH PROGRAM SPECIALISTS AND LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES.

(a) IN GENERAL.—(1) Chapter 41 is amended by inserting after section 2004 the following new section:

"§ 2004A. Performance of disabled veterans' outreach program specialists and local veterans' employment representatives

"(a)(1) Subject to paragraph (2) of this subsection, each State employment agency shall develop and apply standards for the performance of disabled veterans' outreach program specialists appointed under section 2003A(a) of this title and local veterans' employment representatives assigned under section 2004(b) of this title.

"(2)(A) Such standards shall be consistent with the duties and functions specified in section 2003A(b) of this title with respect to such specialists and section 2004(b) (1) through (12) of this title with respect to such representatives.

"(B) In developing such standards, the State employment agency—

"(i) shall take into account (I) the prototype developed under paragraph (3) of this subsection, and (II) the comments submitted under clause (ii) of this subparagraph by the Director for Veterans' Employment and Training for the State;

"(ii) shall submit to such Director proposed standards for comment;

"(iii) may take into account the State's personnel merit system requirements and other local circumstances and requirements; and

"(iv) may request the assistance of such Director.

"(C) Such standards shall include as one of the measures of the performance of such a specialist the extent to which the specialist, in serving as a case manager under section 14(b)(1)(A) of the Veterans' Job Training Act (29 U.S.C. 1721 note), facilitates rates of successful completion of training by veterans participating in programs of job training under the Act.

"(3)(A) The Secretary, after consultation with State employment agencies or their representatives, or both, shall provide to such agencies a prototype of performance standards for use by such agencies in the development of performance standards under subsection (a)(1) of this section.

"(B) Each Director for Veterans' Employment and Training—

"(i) shall, upon the request of the State employment agency under paragraph (2)(B)(iv) of this subsection, provide appropriate assistance in the development of performance standards,

"(ii) may, within 30 days after receiving proposed standards under paragraph (2)(B)(ii) of this subsection provide comments on the proposed standards, particularly regarding the consistency of the proposed standards with such prototype.

"(b)(1) Directors for Veterans' Employment and Training and Assistant Directors for Veterans' Employment and Training shall regularly monitor the performance of the specialists and representatives referred to in subsection (a)(1) of this section through the application of the standards required to be prescribed by subsection (a)(1).

"(2) A Director for Veterans' Employment and Training for a State may submit to the head of the employment service in the State recommendations and comments in connection with each annual performance rating of such specialists and representatives in the State.".

(2) Each State employment agency (A) shall develop and promulgate standards under section 2004A of title 38, United States Code, as added by paragraph (1) of this subsection, as soon as feasible, and in doing so (B) shall submit proposed standards to the Director for Veterans' Employment and Training for the State not later than 12 months after the date on which the Secretary provides the agency with prototype standards under subsection (a)(3)(A) of such section, and (C) shall adopt final standards not later than 90 days after submitting the proposed standards to the Director for Veterans' Employment and Training for comment under subsection (a)(3)(B)(ii) of such section.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 41 is amended by adding after the item for section 2004 the following new item:

"2004A. Performance of disabled veterans' outreach program specialists and local veterans' employment representatives.".

SEC. 5. WAIVER OF RESIDENCY REQUIREMENT FOR DIRECTORS AND ASSISTANT DIRECTORS FOR VETERANS' EMPLOYMENT AND TRAINING.

Section 2003(b)(1) is amended—

(1) by inserting "(A)" after "(1)";

(2) by redesignating clauses (A) and (B) as clauses (i) and (ii), respectively;

(3) in clause (i), as redesignated by clause (2) of this section, by striking out "be an eligible veteran" and inserting in lieu thereof ", except as provided in subparagraph (B) of this paragraph, be a qualified veteran"; and

(4) by adding at the end the following new subparagraph:

"(B) If, in adopting a Director or Assistant Director for any State under this section, the Secretary determines that there is no qualified veteran available who meets the residency requirement in subparagraph (A)(i), the Secretary may appoint as such Director or Assistant Director any qualified veteran.".

SEC. 6. SHARING OF INFORMATION REGARDING POTENTIAL EMPLOYERS.

(a) BETWEEN THE DEPARTMENTS OF DEFENSE AND LABOR.—Section 2005 is amended—

(1) by inserting "(a)" before "All"; and

(2) by adding at the end the following new subsection:

"(b) For the purpose of assisting the Secretary and the Administrator in identifying employers with potential job training opportunities under the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note) and otherwise in order to carry out this chapter, the Secretary of Defense shall provide, not more than 30 days after the date of the enactment of this subsection, the Secretary and the Administrator with any list maintained by the Secretary of Defense of employers participating in the National Committee for Employer Support of the Guard and Reserve and shall provide, on the 15th day of each month thereafter, updated information regarding the list.".

(b) BETWEEN THE VETERANS' ADMINISTRATION AND THE DEPARTMENT OF LABOR.—(1) Section 2008 is amended—

(A) by inserting "(a)" before "In"; and

(B) by adding at the end the following new subsection:

"(b) The Administrator shall provide to appropriate employment service offices and Department of Labor offices, as designated by the Secretary, on a monthly or more frequent basis, the name and address of each employer located in the areas served by such offices that offer a program of job training which has been approved by the Administrator under section 7 of the Veterans' Job Training Act (29 U.S.C. 1721 note).".

(2)(A) The heading of section 2008 is amended to read as follows:

"§ 2008. Cooperation and coordination".

(B) The item relating to such section in the table of sections at the beginning of chapter 41 is amended to read as follows:

"2008. Cooperation and coordination.".

SEC. 7. RESPONSIBILITIES OF PERSONNEL.

(a) DIRECTORS FOR VETERANS' EMPLOYMENT AND TRAINING.—Section 2003(c) is amended—

(1) in clause (1)—

(A) by inserting "(A) functionally supervise the provision of services to eligible veterans and eligible persons by such system and such program and their staffs, and (B)" after "(1)"; and

(B) by inserting ", including the program conducted under the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note)" after "programs";

(2) in clause (2), by inserting "and otherwise to promote the employment of eligible veterans and eligible persons" after "opportunities";

(3) in clause (11), by striking out "and" at the end;

(4) in clause (12), by striking out the period and inserting in lieu thereof a semicolon; and

(5) by adding at the end the following new clauses:

"(13) monitor the implementation of Federal laws requiring veterans preference in employment and job advancement opportunities within the Federal Government and report to the Office of Personnel Management or other appropriate agency, for enforcement or other remedial action, any evidence of failure to provide such preference or to provide priority or other special consideration in the provision of services to veterans as is required by law or regulation;

"(14) monitor, through disabled veterans' outreach program specialists and local veterans' employment representatives, the listing of vacant positions with State employment agencies by Federal agencies, and report to the Office of Personnel Management or other appropriate agency, for enforcement or other remedial action, any evidence of failure to provide priority or other special consideration in the provision of services to veterans as is required by law or regulation; and

"(15)(A) not less frequently than annually, conduct, subject to subclause (B) of this clause, an evaluation at each local employment office of the services provided to eligible veterans and eligible persons and make recommendations for corrective action as appropriate; and

"(B) carry out such evaluations in the following order of priority: (I) offices that demonstrated less than satisfactory performance during either of the two previous program years, (II) offices with the largest number of veterans registered during the previous program year, and (III) other offices as resources permit.".

(b) DISABLED VETERANS' OUTREACH PROGRAM SPECIALISTS.—Section 2003A(c) is amended—

(1) in clause (4), by inserting "(including part C of title IV of the Job Training Partnership Act (29 W.S.C. et seq.))" after "programs";

(2) in clause (6), by inserting "(including the program conducted under the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note))" after "programs"; and

(3) by adding at the end the following new clauses:

"(9) Provision of vocational guidance or vocational counseling services, or both, to veterans with respect to veterans' selection of and changes in vocations and veterans' vocational adjustment.

"(10) Provision of services as a case manager under section 14(b)(1)(A) of the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note).".

SEC. 8. NATIONAL VETERANS' EMPLOYMENT AND TRAINING SERVICES INSTITUTE.

(a) ESTABLISHMENT OF INSTITUTE.—Section 2009 is amended to read as follows:

"§ 2009. National Veterans' Employment and Training Services Institute

"(a) In order to provide for such training as the Secretary considers necessary and appropriate for the efficient and effective provision of employment, job-training, counseling, placement, job-search, and related services to veterans, the Secretary shall establish and make available such funds as may be necessary to operate a National Veterans' Employment and Training Services Institute for the training of disabled veterans' outreach program specialists, local veterans' employment representatives, Directors for Veterans' Employment and Training, and Assistant Directors for Veterans' Employment and Training, Regional Administrators for Veterans' Employment and Training, and such other personnel involved in the provision of employment, job-training, counseling, placement, or related services to veterans as the Secretary considers appropriate, including travel expenses and per diem for attendance at the Institute.

"(b) In implementing this section, the Secretary shall, as the Secretary considers appropriate, provide, out of program funds designated for the Institute, training for Veterans' Employment and Training Service personnel, including travel expenses and per diem to attend the Institute.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 41 is amended by striking out the item for section 2009 and inserting in lieu thereof the following:

"2009. National Veterans' Employment and Training Services Institute.".

SEC. 9. STUDY OF UNEMPLOYMENT AMONG CERTAIN DISABLED VETERANS AND VIETNAM THEATER VETERANS.

(a) IN GENERAL.—Chapter 41 is further amended by adding at the end the following new section:

"§ 2010A. Special unemployment study

"(a) The Secretary, through the Bureau of Labor Statistics, shall conduct, on a biennial basis, studies of unemployment among special disabled veterans and among veterans who served in the Vietnam Theater of Operations during the Vietnam era and promptly report to the Congress on the results of such studies.

"(b) The first study under this section shall be completed not later than 180 days after the date of the enactment of this section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 41 is amended by adding at the end the following new item:

"2010A. Special unemployment study.".

SEC. 10. SECRETARY'S COMMITTEE ON VETERANS' EMPLOYMENT.

Clause (1) of section 2010(b) is amended—

(1) by redesignating subclauses (D), (E), and (F) as subclauses (E), (F), and (G), respectively;

(2) by inserting after subclause (C) the following:

"(D) the Secretary of Education;"

(3) by striking out "and" at the end of subclauses (F) and (G) (as so redesignated); and

(4) by adding at the end the following:

"(H) the Postmaster General; and

"(I) any other agency of the Federal Government which has had its request to have a representative on the committee approved by the Secretary; and".

SEC. 11. VETERANS' JOB TRAINING ACT AMENDMENTS.

(a) COUNSELING.—(1) Section 14 of the Veterans' Job Training Act is amended by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) The Secretary shall provide for a program under which—

"(A) except as provided in paragraph (2), a disabled veteran's outreach program specialist appointed under section 2003A(a) of title 38, United States Code, is assigned as a case manager for each veteran participating in a program of job training under this Act;

"(B) the veteran has an in-person interview with the case manager not later than 60 days after entering into a program of training under this Act; and

"(C) periodic (not less frequent than monthly) contact is maintained with each such veteran for the purpose of (i) avoiding unnecessary termination of employment, (ii) referring the veteran to appropriate counseling, if necessary, (iii) facilitating the veteran's successful completion of such program, and (iv) following up with the employer and the veteran in order to determine the veteran's progress in the program and the outcome regarding the veteran's participation in and successful completion of the program.

"(2) No case manager shall be assigned pursuant to paragraph (1)(A)—

"(A) for a veteran if, on the basis of a recommendation made by a disabled veterans' outreach program specialist, the Secretary determines that there is no need for a case manager for such veteran; or

"(B) in the case of the employees of an employer, if the Secretary determines that—

"(i) the employer has an appropriate and effective employee assistance program that is available to all veterans participating in the employer's programs of job training under this Act; or

"(ii) the rate of veterans' successful completion of the employer's programs of job training under this Act, either cumulatively or during the previous program year, is 60 percent or higher.

"(3) The Secretary and the Administrator shall jointly provide, to the extent feasible—

"(A) a program of counseling or other services (to be provided pursuant to subchapter IV of chapter 3 of title 38, United States Code, and sections 612A, 2003A, and 2004 of such title) designed to resolve difficulties that may be encountered by veterans during their training under this Act; and

"(B) a program of information services under which—

"(i) each veteran who enters into a program of job training under this Act and each employer participating under this Act is informed of the supportive services and resources available to the veteran (I) under clauses (A) and (B), (II) through Veterans' Administration counseling and career-development activities (especially, in the case of a Vietnam-era veteran, readjustment counseling services under section 612A of such title) and under part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.), and (III) through other appropriate agencies in the community; and

"(ii) veterans and employers are encouraged to request such services whenever appropriate.

"(c) Before a veteran who voluntarily terminates from a program of job training under this Act or is involuntarily terminated from such program by the employer may be eligible to be provided with a further certificate, or renewal of certification, of eligibility for participation under this Act, such veteran must be provided by the Secretary, after consultation with the Administrator, with a case manager.".

(2) Section 14(a) of the Veterans' Job Training Act is amended—

(A) by striking out "The" and inserting in lieu thereof "(1), The"; and

(B) by adding at the end the following new paragraph:

"(2) The Administrator shall, after consultation with the Secretary, provide a program of job-readiness skills development and counseling services designed to assist veterans in need of such assistance in finding, applying for, and successfully participating in a suitable program of job training under this Act. As part of providing such services, the Administrator shall coordinate activities, to the extent practicable, with the readjustment counseling program described in section 612A of title 38, United States Code. The Administrator shall advise veterans participating under this Act of the availability of such services and encourage them to request such services whenever appropriate.".

(3)(A) Section 1504(a)(7) is amended—

(i) by inserting "(A)" before "individualized"; and

(ii) by striking out the period and inserting in lieu thereof ", and (B) job-readiness skills development and counseling under section 14(a)(2) of the Veterans' Job Training Act (29 US.C. 1721 note) for a participant in a program of training under such Act.".

(B) Section 14 of the Veterans' Job Training Act is amended by adding after the subsections inserted by paragraph (1) of this subsection the following:

"(d) Payments made under this Act pursuant to contracts entered into for the provision of job-readiness skills development and counseling services under subsection (a)(2) may only be paid out of the same account used to make payments under section 1504(a)(7) of title 38, United States Code, and the amount paid out of such account in any fiscal year for such services shall not exceed an amount equal to 5 percent of the amount obligated to carry out this Act for such fiscal year, except that for fiscal year 1988 the amount shall not exceed 5 percent of the amount available to carry out this Act on October 1, 1987.".

(4) Section 7(d) of such Act is amended—

(A) by redesignating paragraph (12) as paragraph (13); and

(B) inserting after paragraph (11) the following new paragraph:

"(12) That, as applicable, the employer will provide each participating veteran with the full opportunity to participate in a personal interview pursuant to section 14(b)(1)(A) during the veterans' normal workday.".

(b) DISCONTINUANCE OF APPROVAL OF PARTICIPATION IN PROGRAMS OF EMPLOYERS WITH UNSATISFACTORY COMPLETION RATES.—Section 11 of such Act is amended—

(1) by inserting "(a)" after "SEC. 11."; and

(2) by adding at the end the following new subsection:

"(b)(1) If the Administrator determines that the rate of veterans' successful completion of an employer's programs of job training previously approved by the Administrator for the purposes of this Act is disproportionately low because of deficiencies in the quality of such programs, the Administrator shall disapprove participation in such programs on the part of veterans who had not begun such participation on the date that the employer is notified of the disapproval. In determining whether any such rate is disproportionately low because of such deficiencies, the Administrator shall take into account appropriate data, including—

"(A) the quarterly data provided by the Secretary with respect to the number of veterans who receive counseling in connection with training under this Act, are referred to employers under this Act, participate in job training under this Act, complete such training or do not complete such training, and the reasons for noncompletion; and

"(B) data compiled through the particular employer's compliance surveys.

"(2) With respect to a disapproval under paragraph (1), the Administrator shall provide to the employer concerned the kind of statement, opportunity for hearing, and notice described in subsection (a).

"(3) A disapproval under paragraph (1) shall remain in effect until such time as the Administrator determines that adequate remedial action has been taken.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 16 of such Act is amended—

(1) by inserting "(a)" before "There";

(2) in subsection (a) (as so designated)—

(A) in the first sentence—

(i) by inserting "(1)" after "Administration";

(ii) by striking out "and" the second place it appears and inserting in lieu thereof ", (2)"; and

(iii) by striking out "1987, and 1988" and inserting in lieu thereof "and 1987, and (3) $60,000,000 for each of the fiscal years 1988 and 1989"; and

(B) in the final sentence, by striking out "1989" and inserting in lieu thereof "1991"; and

(3) by adding at the end the following new subsection:

"(b) Notwithstanding any other provision of law, any funds appropriated under subsection (a) for any fiscal year which are obligated for the purpose of making payments under section 8 on behalf of a veteran (including funds so obligated which previously had been obligated for such purpose on behalf of another veteran and were thereafter deobligated) and are later deobligated shall immediately upon deobligation become available to the Administrator for obligation for such purpose. The further obligation of such funds by the Administrator for such purpose shall not be delayed, directly or indirectly, in any manner by any officer or employee in the executive branch.".

(2) DEADLINES FOR VETERANS' APPLICATIONS AND ENTRY INTO TRAINING.—Section 17 of such Act is amended to read as follows:

"TIME PERIODS FOR APPLICATION AND INITIATION OF TRAINING

"SEC. 17. Assistance may not be paid to an employer under this Act—

"(1) on behalf of a veteran who initially applies for a program of job training under this Act after September 30, 1989; or

"(2) for any such program which begins after March 31, 1990.".

(e) CONFORMING AMENDMENT.—Section 5(b)(3)(A) of such Act is amended by striking out "The" at the beginning of the first sentence and inserting in lieu thereof "Subject to section 14(c), the".

(f) DATA ON PARTICIPATION.—Section 15 of such Act is amended by adding at the end the following new subsection:

"(f) The Secretary shall, on a not less frequent than quarterly basis, collect and compile from the heads of State employment services and Directors for Veterans' Employment and Training for each State information available to such heads and Directors, and derived from programs carried out in their respective States, with respect to the numbers of veterans who receive counseling services pursuant to section 14, who are referred to employers participating under this Act, who participate in programs of job training under this Act, and who complete such programs, and the reasons for veterans' noncompletion.".

SEC. 12. TRAINING AND EMPLOYMENT STUDY AND REPORT.

The Administrator of Veterans' Affairs shall provide for a study, based on valid statistical samplings, of the implementation of the Veterans' Job Training Act and shall transmit, not later than one year after the date of the enactment of this Act, a report to the Committees on Veterans' Affairs of the Senate and the House of Representatives containing the findings and conclusions of such study, including, to the extent feasible—

(1) a listing, by regional office and by State, of the number of veterans placed in a program of job training under the Veterans' Job Training Act and the percentage that this number represents of the total number of veterans certified (not including renewal of certifications), by regional office and by

State, as eligible for participation under such Act;

(2) a description, by regional office and by State, of the demographic nature (including race, sex, age, educational level, service-connected disability status, income before placement, and income after placement) of veterans placed in a program of job training under such Act;

(3) a description, by regional office and by State, of the demographic nature (including, race, sex, age, educational level, service-connected disability status, and income) of veterans certified as eligible for participation under such Act but not placed in a job training program;

(4) an analysis of the reasons that veterans certified as eligible for participation have not been placed in a program of job training under such Act;

(5) a listing, by regional office and by State, for the number of veterans who were certified as eligible for participation under such Act and were not placed in a program of job training under such Act but were later placed in another job training program or employment;

(6) a description, by regional office and by State, of the rate at which veterans have discontinued participation in, without completing, a program of job training under such Act, with a separate rate stated for those who discontinued within 3 months after beginning such a program, those who discontinued within 3 to 6 months after such beginning, and those who discontinued within 6 to 9 months after such beginning;

(7) an analysis of the major reasons for veterans failing to complete such a training program;

(8) a ranking of the twenty-five categories of employment (by types of business or industry and trade) for which programs of job training have most frequently been denied approval uder such Act, with such ranking being made on the basis of the number of denials for each such category; and

(9) a ranking of the twenty-five categories of employment (by types of business or industry and trade) for which veterans have most frequently received employment as a result of a program of job training under such Act, with such ranking being made on the basis of the number of jobs provided in each such category.

SEC. 13. STATE APPROVING AGENCIES.

(a) PAYMENTS.—(1) Section 1774(a) is amended—

(A) by striking out "The" in the first sentence and inserting in lieu thereof "(1) Subject to paragraphs (2) through (4) of this subsection, the";

(B) by striking out "(1)" and "(2)" in the first sentence and inserting in lieu thereof "(A)" and "(B)", respectively; and

(C) by adding at the end the following new paragraphs:

"(2)(A) The Administrator shall, effective at the beginning of fiscal year 1988, make payments to State and local agencies, out of amounts available for the payment of readjustment benefits, for the reasonable and necessary expenses of salary and travel incurred by employees of such agencies in carrying out contracts or agreements entered into under this section and for the allowance for administrative expenses described in subsection (b).

"(B) The Administrator shall make such a payment to an agency within a reasonable time after the agency has submitted a report pursuant to paragraph (3)(A) of this subsection.

"(C) Subject to paragraph (4) of this subsection, the amount of any such payment made to an agency for any period shall be equal to the amount of the reasonable and necessary expenses of salary and travel certified by such agency for such period in accordance with paragraph (3) of this subsection plus the allowance for administrative expenses described in subsection (b).

"(3)(A) Each State and local agency with which a contract or agreement is entered into under this section shall submit to the Administrator on a monthly or quarterly basis, as determined by the agency, a report containing a certification of the reasonable and necessary expenses incurred for salary and travel by such agency under such contract or agreement for the period covered by the report. The report shall be submitted in the form and manner required by the Administrator.

"(B) The Administrator shall transmit a report to the Congress on a quarterly basis which summarizes—

"(i) the amounts for which certifications were made by State and local agencies in the reports submitted under subparagraph (A) of this paragraph with respect to the quarter for which the report is made; and

"(ii) the amounts of the payments made by the Administrator for such quarter with respect to such certifications and with respect to administrative expenses.

"(4) The total amount made available under this section for any fiscal year may not exceed $12,000,000. For any fiscal year in which the total amount that would be made available under this section would exceed $12,000,000 except for the provisions of this paragraph, the Administrator shall provide that each agency shall receive the same percentage of $12,000,000 as the agency would have received of the total amount that would have been made available without the limitation of this paragraph.".

(2) If any payment is made to State or local approving agencies with respect to activities carried out under subchapter I of chapter 36 of title 38, United States Code, for fiscal year 1988 before the date of the enactment of this Act and from an account other than the account used for payment of readjustment benefits, the account from which such payment was made shall be reimbursed from the account used for payment of readjustment benefits.

(b) EMPLOYMENT STANDARDS.—(1) Subchapter I of chapter 36 is amended—

(A) by inserting the following new section after section 1774:

"§ 1774A. Evaluation of agency performance; qualifications and performance of agency personnel

"(a) The Administrator shall—

"(1)(A) conduct, in conjunction with State approving agencies, an annual evaluation of each State approving agency on the basis of standards developed by the Administrator in conjunction with the State approving agencies, and (B) provide each such agency an opportunity to comment on the evaluation;

"(2) take into account the results of annual evaluations carried out under clause (1) when negotiating the terms and conditions of a contract or agreement under section 1774 of this title;

"(3) supervise functionally the provision of course-approval services by State approving agencies under this subchapter;

"(4) cooperate with State approving agencies in developing and implementing a uniform national curriculum, to the extent practicable, for training new employees and for continuing the training of employees of such agencies, and sponsor, with the agencies, such training and continuation of training; and

"(5) prescribe prototype qualification and performance standards, developed in conjunction with State approving agencies, for use by such agencies in the development of qualification and performance standards for State approving agency personnel carrying out approval responsibilities under a contract or agreement entered into under section 1774(a).

"(b)(1) Each State approving agency carrying out a contract or agreement with the Administrator under section 1774(a) after the 18-month period beginning on the date of the enactment of this section shall—

"(A) apply qualification and performance standards based on the standards developed under subsection (a)(5) of this section; and

"(B) make available to any person, upon request, the criteria used to carry out its functions under a contract or agreement entered into under section 1774(a).

"(2) In developing and applying standards described in subsection (a)(5) of this section, the State approving agency may take into consideration the State's merit system requirements and other local requirements and conditions.

"(3) The Administrator shall provide assistance in developing such standards to a State approving agency that requests it."; and

(B) by inserting after the item for section 1774 in the table of sections for such subchapter the following:

"1774A. Evaluations of agency performance; qualifications and performance of agency personnel".

(2) For purposes of implementing the amendments made by paragraph (1)—

(A) the Administrator of Veterans' Affairs shall, within 120 days after the date of the enactment of this Act, publish prototype standards developed under section 1774A(a)(5) of title 38, United States Code, as added by paragraph (1);

(B) each State approving agency shall, within 1 year after the Administrator has published prototype standards under subparagraph (A), submit to the Administrator of Veterans' Affairs a copy of the standards to be implemented by such agency under section 1774A(b)(1)(A) of such title; and

(C) the Administrator may, within 30 days after receiving such standards from an agency, provide comments to the agency, especially with regard to whether the State's standards are consistent with the prototype standards developed by the Administrator under section 1774A(a)(5) of such title.

(3) None of the qualification standards implemented pursuant to the amendments made by paragraph (1) shall apply to any person employed by a State approving agency on the date of the enactment of this Act as long as such person remains in the position in which the person is employed on such date.

(4) Section 1771(b)(1) is amended by striking out "approving agency," the first place it appears and inserting in lieu thereof "approving agency, or fails to enter into an agreement under section 1774(a),".

(5) Section 1774(a)(1), as amended by subsection (a)(1) of this section, is amended—

(A) by striking out "chapters 34 and 35 of this title" the first place it appears in the first sentence and inserting in lieu thereof

"chapters 30 through 35 of this title and chapters 106 and 107 of title 10";

(B) by striking out "chapters 34 and 35 of this title" the second place it appears in the first sentence and where it apppears in the second sentence and inserting in lieu thereof "such chapters"; and

(C) by striking out "chapter 32, 34, 35, or 36 of this title" in the third sentence and inserting in lieu thereof "such chapters".

(6) Section 1782 is amended by striking out "No" in the first sentence and inserting in lieu thereof "Except as provided in section 1774A of this title, no".

SEC. 14. COMMISSION ON VETERANS' EDUCATION POLICY.

Section 320(a)(3) of the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986 (Public Law 99-576; 100 Stat. 3248) is amended by inserting "the Assistant Secretary of Defense for Force Management and Personnel," after "paragraph (2)(A),".

SEC. 15. REVISIONS OF NOMENCLATURE.

(a) SECRETARY OF LABOR.—Section 2001 is amended by adding at the end the following new paragraph:

"(8) The term 'Secretary' means the Secretary of Labor.".

(2) Sections 2002A, 2003(a) and (b)(2), 2005, 2006(a), 2007, 2008, and 2010(b) are amended by striking out "Secretary of Labor" each place it appears except where preceded by "Assistant" and inserting in lieu thereof "Secretary".

(3) The first sentence of section 2010(b) is amended by striking out "The" and inserting in lieu thereof "Notwithstanding section 2002A(b) of this title, the".

(b) ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT AND TRAINING.—(1) Sections 2000(2), 2002, 2002A, and 2010(b) are amended by inserting "and Training" after "Assistant Secretary of Labor for Veterans' Employment" each place it appears.

(2) Section 4(b) of the Veterans' Job Training Act is amended by inserting "and Training" after "Assistant Secretary of Labor for Veterans' Employment".

(c) DIRECTORS FOR VETERANS' EMPLOYMENT AND TRAINING.—(1) Sections 2003 and 2003A(b)(2) are amended by striking out "State Director for Veterans' Employment", "State Directors for Veterans' Employment", "Assistant State Director for Veterans' Employment" and "Assistant State Directors for Veterans' Employment" each place those terms appear and inserting in lieu thereof "Director for Veterans' Employment and Training", "Directors for Veterans' Employment and Training", "Assistant Director for Veterans' Employment and Training", and "Assistant Directors for Veterans' Employment and Training", respectively.

(2) Section 15(c)(2) of the Veterans Job Training Act is amended by striking out "State and Assistant State Directors for Veterans' Employment" and inserting in lieu thereof "Directors and Assistant Directors for Veterans' Employment and Training".

(3)(A) The heading of section 2003 is amended to read as follows:

"§ 2003. Directors and Assistant Directors for Veterans' Employment and Training".

(B) The item relating to such section in the table of sections at the beginning of chapter 41 is amended to read as follows:

"2003. Directors and Assistant Directors for Veterans' Employment and Training.".

(d) VETERANS' EMPLOYMENT AND TRAINING SERVICE.—Section 2002 is amended by striking out "Veterans Employment Service" and inserting in lieu thereof "Veterans' Employment and Training Service".

SEC. 16. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the provisions of and amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) EXCEPTIONS.—(1) The following provisions of or amendments made by this Act shall take effect for all of fiscal year 1988 and subsequent fiscal years:

(A) Clause (5) of subsection (b) of section 2002A of title 38, United States Code, as added by section 2(a)(2) of this Act.

(B) Subsection (a) of section 2003A of such title, as amended by section 2(e)(1)(A) of this Act.

(C) Paragraphs (1), (2), and (3) of section 2004(a) of such title, as amended by section 3(a) of this Act.

(D) Paragraphs (2) through (5) of section 1774(a) of such title, as added by section 13(a)(1) of this Act.

(2) The provisions of and amendments made by sections 4 through 11 shall take effect on the 60th day after the date of the enactment of this Act.

Amend the title so as to read: "An Act to amend title 38, United States Code, and the Veterans' Job Training Act to improve veterans' employment, counseling, and job-training services and programs; and for other purposes.".

Mr. MONTGOMERY (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The question is on tax amendment in the nature of a substitute offered by the gentleman from Mississippi [Mr. MONTGOMERY].

The amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 1 hour.

Mr. MONTGOMERY. Mr. Speaker, I yield as much time as he might consume to the gentleman from Mississippi [Mr. DOWDY] the chairman of our Subcommittee on Education, Training, and Employment, who has certainly been involved with the leadership in the other body in working out a compromise relating to the Veterans' Job Training Act to Improve Employment, Counseling and Job Training Services and Programs and, Mr. Speaker, especially for the Vietnam veteran.

Mr. DOWDY of Mississippi. Mr. Speaker, I want to express my strong support for passage of the compromise measure before us which would amend S. 999. The passage of this measure is truly a landmark. For the first time in many years, important provisions of law regarding veterans' employment, training, counseling, and State approving agencies are being revised and improved.

These amendments are very effective blending of three measures: H.R. 1504, amended, which passed the House on June 30, 1987, and was amended and passed by the Senate on August 4, 1987; H.R. 3460, amended, which passed the House on October 27, 1987; and S. 999, which was passed by the Senate on December 4, 1987. There was a great deal of give and take between the House and Senate Veterans' Affairs Committees regarding this measure, but I believe the amendments we are considering include the best provisions of all three bills.

The Joint Explanatory Statement, which will cover the agreed-upon compromise in detail, will be included in the RECORD following my remarks. There are a few provisions, however, which I would like to briefly discuss.

Section 2 of the proposed House amendments to S. 999 would clarify the role of the Assistant Secretary of Labor for Veterans' Employment and Training as the official in the Department of Labor with primary responsibility for veterans' employment and training programs. It would further establish the responsibility of the Assistant Secretary to ensure that veterans are fully served under all DOL employment and training programs. The Assistant Secretary must be an integral part of all decisionmaking processes within the Department of Labor that affect employment and training opportunities for veterans, including decisions regarding the development, administration, and implementation of future programs.

Section 2 of the proposed amendments also contains a provision which requires the Secretary of Labor to assign to each region for which the Secretary operates a regional office a representative of the Veterans Employment and Training Service [VETS] to serve as a Regional Administrator for Veterans' Employment and Training. A similar provision was contained in H.R. 3460 when it first passed the House and in S. 999 as passed by the Senate. As pointed out in House Report 100-387, which accompanied H.R. 3460, this position is necessary to strengthen the managerial/operational activities and responsibilities of VETS.

Section 3 of the proposed House amendments would require that necessary funds be made available for use in each State to support the required number of Disabled Veterans' Outreach Program specialists [DVOP's] and to support 1,600 Local Veterans' Employment Representatives [LVER's] nationwide. LVER funding, in recent years, has been plagued by arbitrary budget reduction proposals, resulting in reduced services to veter-

ans. Congressional intent that these positions be fully staffed will be accomplished with the enactment of this provision. Although the original House-passed bill (H.R. 3460) would have used a formula to establish the required number of LVER's, the Senate provision in S. 999, which we accepted, effectively accomplishes our goal of stabilizing LVER staffing levels.

Section 4 would require each State employment agency to develop and apply standards for the performance of DVOP's and LVER's which are consistent with the statutory duties and functions of DVOP's and LVER's. It is our expectation that development and implementation of performance standards will standardize the provision of veterans' employment services thus eliminating the differences in DVOP and LVER functions which now exist from State to State.

Section 7 of the proposed House amendments would expand the responsibilities of Directors for Veterans' Employment and Training. Most importantly, this section would clearly establish the responsibility of Directors to functionally supervise the provision of services to eligible veterans and eligible persons by the Employment Service [ES] system and ES staff. I want to stress that the purpose of this provision is to clarify and strengthen the mutually supportive relationship which should exist between Federal and State officials responsible for the delivery of employment services to veterans.

Section 8 would establish the National Veterans' Employment and Training Services Institute [NVETSI]. This provision would codify this very effective training program which was established administratively in 1986 by the Assistant Secretary of Labor for Veterans' Employment and Training [ASVET], the Honorable Donald E. Shasteen. The purpose of NVETSI is to provide training to DVOP's, LVER's and other personnel involved in the provision of employment, job training, counseling, placement or related services to veterans. As of April 23, 1988, nearly 2,000 State agency personnel who provide employment services to veterans had been trained at the Institute. This training program is an example of the joint Federal/State responsibility for provision of veteran's employment services functioning at its best and veterans seeking employment assistance will reap the benefits of this strengthened relationship.

I am particularly pleased that the House amendments—section 11—contain provisions which would extend the deadline by which a veteran must apply to participate in an on-the-job training program approved under the Veterans Job Training Act [VJTA] to September 30, 1989, and extend the deadline by which a veteran participant in VJTA must be enrolled in a job training program to March 31, 1990. Additionally, this section authorizes $60 million for the program for fiscal year 1988 and an additional $60 million for fiscal year 1989. VJTA has been a uniquely successful program, assisting over 60,000 long-term unemployed veterans in their efforts to find permanent employment. The program is further strengthened by other provisions included in section 11 including the requirement that, to the extent feasible, counseling services be provided for veterans who encounter difficulties during their VJTA training. Additionally, a program of job-readiness skills development, very similar to that which was contained in H.R. 1504, is included in this section. Many veterans need assistance in the fundamentals of finding, applying for, and successfully participating in a suitable program of job training under VJTA. Such training would be provided under this program.

Section 13 of the proposed amendments would revise the funding process for State approving agencies [SAAs] and provide for the establishment of qualification and performance standards for agency personnel. We are particularly pleased that new funding approach, which was contained in H.R. 1504, is included in the compromise amendments. Under this provision, the SAA's which have experienced severe budget cuts in recent years, will achieve a level of adequate funding based on their reasonable and necessary expenses. The reduced level of funding under which the SAA's have been operating has seriously threatened the ability of these State agencies to adequately perform their approval function. The funding process contained in section 13 would establish a reasonable funding level which will allow the SAA's to perform their duties with their usual high level of skill and professionalism.

I want to thank the chairman of the full committee, my good friend and colleague from Mississippi, SONNY MONTGOMERY, for his support for this measure. I also want to commend the ranking minority member of the full committee, JERRY SOLOMON of New York, and the ranking minority member of the Subcommittee on Education, Training and Employment, CHRIS SMITH of New Jersey, for their contributions and assistance. Indeed, all members of the Education Subcommittee are to be commended for their hard work on this legislation. I also want to extend my sincere thanks to the chairman of the Senate Committee on Veterans' Affairs, ALAN CRANSTON, and the ranking minority member of that committee, FRANK MURKOWSKI, and to their excellent staffs, for their cooperation in the development of this compromise agreement. It has been a pleasure working with them.

Mr. Speaker, there follows a more detailed explanation of the agreement we reached with the other body.

I urge my colleagues to support the proposed House amendments to S. 999.

EXPLANATORY STATEMENT ON THE COMPROMISE AGREEMENT ON S. 999, H.R. 1504, H.R. 3460, THE VETERANS' EMPLOYMENT, TRAINING, AND COUNSELING AMENDMENTS OF 1988

This document explains the provisions of S. 999 as agreed to by the Senate on August 4, 1987, and passed by the Senate on that date as an amendment to H.R. 1504 (hereinafter referred to as the "Senate bill") and passed again by the Senate on December 19, 1987, the provisions of H.R. 3460 as passed by the House of Representatives on October 27, 1987 (hereinafter referred to as "H.R. 3460"), and the provisions of H.R. 1504 as passed by the House on June 30, 1987, (hereinafter referred to as "H.R. 1504"), and the provisions of a compromise agreement as noted below, except for clerical corrections, conforming changes made necessary by agreements reached between the Committees, and minor drafting, technical, and clarifying changes.

NOMENCLATURE

The Committees note that both the Senate and House (H.R. 3460) bills and the compromise agreement would make changes in the nomenclature for various positions and entities. To simplify the references to those positions and entities in this document, references to them are adopted in the compromise agreement. The following table shows the nomenclature currently used in title 38 and the nomenclature used in the Senate and House bills and in the compromise agreement, together with the acronyms used in this document:

Current law	Senate bill	House bill	Compromise agreement
Assistant Secretary for Veterans' Employment.	Assistant Secretary for Veterans' Employment and Training.	Same	Same [ASVET].
Veterans' Employment Service	Same	do	Veterans' Employment and Training Service [VETS].
State Director for Veterans' Employment.	State Director for Veterans' Employment and Training.	Director for Veterans' Employment and Training.	Same [DVET].

Current law	Senate bill	House bill	Compromise agreement
Assistant State Director for Veterans' Employment.	Assistant State Director for Veterans' Employment and Training.	Assistant Director for Veterans' Employment and Training.	Same [ADVET].
Not applicable.....	Regional Director for Veterans' Employment and Training.	Regional Administrator for Veterans' Employment and Training.	Same [RAVET].

In addition, this document uses the term State employment agency (SEA) for the entity described in chapter 41 of title 38 as the "public employment service system" and "employment service".

ADMINISTRATION OF EMPLOYMENT AND TRAINING PROGRAMS

Section 2 of the compromise agreement would amend section 2002A of title 38, United States Code, relating to the office of the ASVET, to consolidate in that section, with revisions, various provisions of chapter 41 of title 38 relating to the responsibilities of the Secretary of Labor with respect to programs under the jurisdiction of the Secretary for the provision of services designed to meet the employment, job-training, and related needs of eligible veterans and the spouses or surviving spouses of certain veterans and of service personnel who are missing in action or prisoners of war.

A. Responsibilities of the Secretary

Senate bill: The Senate bill (section 2(a) of S. 999) would amend section 2002A of title 38 to incorporate in a new subsection (b)(1) the requirement in sections 2003A(a) and (b), 2006(a) and (b), and 2009(a) for the Secretary of Labor to carry out various veterans' employment and training programs through the ASVET except as otherwise expressly provided (it would be so expressly provided only in section 2010(b)(1) of title 38 as proposed to be amended by section 10 of this measure). The current-law requirements for the Secretary to act through the ASVET would be expanded to include (a) the carrying out of all the provisions of chapter 41 of title 38, relating to veterans' employment, job-training, and related services; and (b) the administration of all veterans' employment and training programs.

House bill: The House bill (section 3(a) of H.R. 3460) is substantively identical to the Senate bill except that it would add a requirement that the Secretary carry out through the ASVET chapter 43 of title 38, relating to veterans' reemployment rights, as well as chapter 41.

Compromise agreement: The compromise agreement (section 2(a), contains the Senate provision with the House modification.

B. Cooperative arrangements

Senate bill: The Senate bill (section 2(a)) would amend section 2002A to incorporate in a new subsection (b) (2) a requirement, derived from section 2009(a)(2), that the Secretary, in order to make maximum use of available resources encourage all veterans' employment and training programs and all grantees under such programs to enter into cooperative arrangements with private industry and business concerns (including small business concerns), educational institutions, trade associations, and labor unions.

House bill: The House bill (section 3(a) of H.R. 3460) is substantively identical to the Senate bill.

Compromise agreement: The compromise agreement (section 2(a)) contains this provision.

C. Coordination and consultation with the Administrator

Senate bill: The Senate bill (section 2(a)) would amend section 2002A to incorporate in a new subsection (b) (3) a requirement, derived from section 2009(a)(3), that the Secretary ensure that maximum effectiveness and efficiency are achieved in providing services and assistance to eligible veterans under all veterans' employment and training programs and through all grantees under each such program by coordinating and consulting with the Administrator with respect to (a) programs conducted under provisions of title 38 other than chapter 41, with particular emphasis in coordination of such program with readjustment counseling activities carried out under section 612A, apprenticeship or other on-job training programs carried out under section 1787, and rehabilitation and training activities carried out under chapter 31; and (b) the Veterans' Job Training Act (29 U.S.C. 1721 note) (VJTA).

House bill: The House bill (section 3(a) of H.R. 3460) is substantively identical to the Senate bill except that it excludes the reference to the VJTA as a program with respect to which the Secretary would be required to coordinate and consult with the Administrator.

Compromise agreement: The compromise agreement (section 2(a)) contains the Senate provision.

D. Coordination of job placement activities

Senate bill: The Senate bill (section 2(a)) would amend section 2002A to require the Secretary to ensure that job placement activities are carried out in coordination and cooperation with appropriate SEA officials.

House bill: The House bill (section 3(a) of H.R. 3460) is substantively identical to the Senate bill.

Compromise agreement: The compromise agreement (section 2(a)) contains this provision.

E. Requirements to make funds available for Disabled Veterans' Outreach Program Specialists (DVOPs) and Local Veterans' Employment Representatives (LVERs)

Senate bill: The Senate bill (section 2(a)) would amend sections 2002A and 2003A, relating to funding for the disabled veterans' outreach program specialists (DVOPs), so as to (a) recodify in a new subsection (b)(5) of section 2002A the provisions in section 2003(a)(1) requiring the Secretary to make funds available for the salaries and expenses of DVOPs in accordance with the formula set forth in section 2003A(a)(2) of current law (section 2003A(a)(1) as proposed to be amended) and to add a similar requirement that funds be made available for the salaries and expenses of local veterans' employment representatives (LVERs) in accordance with the proposed funding formula for LVERs (as explained below in the discussion under the heading "LOCAL VETERANS' EMPLOYMENT REPRESENATIVES (LVERS)"; (b) require specifically that such funding include amounts for the training, travel, supplies, and fringe benefits of DVOPs and LVERs, including the reasonable expenses and per diem for attendance at the National Veterans' Employment and Training Institute (NVETSI) proposed to be established under a new section 2010A as proposed to be added by the Senate bill); and (c) make the funding requirement subject to the provisions of new subsection (c)(2) of section 2002A requiring that the Secretary, in determining the terms and conditions of a grant or contract under which funds are made available in a State, take into account the evaluation of local employment service offices (LESOs) in the State carried out by the DVETs and ADVETs, as proposed to be required by new section 2003(c)(13) (discussed below under the heading "RESPONSIBILITIES OF PERSONNEL"), and the results of the Secretary's monitoring of the distribution and use of funds provided for use in the State:

House bill: The House bill (sections 2(a) and 5(a) of H.R. 3406) would (a) amend section 2004 of title 38 to add a requirement that funds be made available for LVERs in accordance with a proposed formula for LVER funding (discussed below under the heading "LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES"); (b) in a proposed new section 2009 (discussed below under the heading "NATIONAL VETERANS' EMPLOYMENT AND TRAINING SERVICES INSTITUTE") require that the Secretary make funding available for the travel and per diem expenses for DVOPs and LVERs (and various other personnel) to attend the NVETSI; and (c) require the Secretary, in determining the terms and conditions of a grant or contract under which funds are made available in a State to carry out section 2003A, relating to DVOPs, or section 2004, relating to LVERs, to (1) take into account the results of the following monitoring activities, all of which would be required by section 2002A as proposed to be amended by the House bill: (1) the Secretary's monitoring of the distribution and use of funds provided for use in the State, of the appointment of DVOPs and assignment of LVERs, and of the participation of qualified veterans and eligible persons under the Job Training Partnership Act (JTPA) and other Federal and Federally-funded employment and training programs and (2) the monitoring of Department of Labor-funded veterans' employment and training programs by the Regional Administrators for Veterans' Employment and Training (a position which would be provided for by the Senate and House bills and compromise agreement in provisions described below under the heading "I. Regional Administrators for Veterans' Employment and Training").

Compromise agreement: The compromise agreement (section 3(a)) contains the Senate provisions.

F. Distribution and use of funds for DVOPs and LVERs

Senate bill: The Senate bill (section 2(a)) would amend sections 2002A and 2003A(a)(5), providing that the distribution and use of funds provided to a State for DVOPs shall be subject to the continuing

supervision and monitoring of the ASVET and shall not be governed by the provisions of any law, or regulations thereunder, inconsistent with section 2003A, so as to recodify those provisions in a new subsection (c)(1) of section 2002A, make them applicable to LVERs, and provide for the primacy of section 2004 with respect to the distribution of and use of funds for LVERs.

House bill: The House bill (section 3(a) of H.R. 3460) is substantively identical to the Senate bill.

Compromise agreement: The compromise agreement (section 2(a)) contains this provision.

G. Appointment of DVOPs and assignment of LVERs

Senate bill: The Senate bill (section 2(a)) would amend section 2002A and the third, fourth, and fifth sentences of section 2003A(a)(2) (which would be redesignated as section 2003A(a)(1)), requiring that, in the appointment of DVOPs, preference be given, first, to disabled veterans of the Vietnam era, second, to other disabled veterans, and third, any veteran, so as to (a) require in new subsection (b)(7) of section 2002A that the Secretary monitor the appointment of DVOPs and the assignment of LVERs—in order to ensure compliance with the provisions (in section 2003A(a)(1) and 2004(a)(4), respectively, as proposed to be amended) relating to the qualifications of DVOPs and LVERs—and (b) add an explicit requirement that those to whom preference is to be given be "qualified".

House bill: The House bill (section 3(a) of H.R. 3460) contains provisions substantively identical to the provisions described in item (a), above.

Compromise agreement: The compromise agreement (sections 2(a) and 3(a)) contains these provisions.

H. Opportunities for veterans under the Job Training Partnership Act

House bill: The House bill (section 3(a) of H.R. 3460) would amend section 2002A to add a new subsection (b)(7) requiring the Secretary to promote, facilitate, and monitor participation of qualified veterans and eligible persons in employment and training opportunities under the JTPA and other Federal and Federally-funded employment and training programs.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 2(a)) contains this provision with amendments to delete the requirement for facilitating participation and the reference to Federal programs and to specify explicitly in this provision that the functions are to be carried out by the ASVET.

The Committees intend that "Federally-funded employment and training programs" include the VJTA and the Targeted Job Tax Credit program under section 280C of the Internal Revenue Code.

I. Regional Administrator for Veteran's Employment and Training

Senate bill: The Senate bill (section 2(a)) would amend section 2002A to add a new subsection (d) to require the Secretary to assign to each region for which the Secretary operates a regional office a representative of the VETS to serve as a Regional Director for Veterans' Employment and Training.

House bill: The House bill (section 3(a) of H.R. 3460) contains a substantively identical provision except that the title of the position would be changed to Regional Administrator for Veterans' Employment and Training (RAVET) and that each RAVET would be required to be responsible for (a) ensuring the promotion, operation and implementation of all veterans' employment and training programs and services within the region; (b) ensuring proper veterans' employment under Federal contracts within the region; (c) protecting and advancing veterans' reemployment rights within the region; and (d) coordinating, monitoring, and providing technical assistance on veterans' employment and training programs with respect to all Department of Labor grantees within the region.

Compromise agreement: The compromise agreement (section 2(a)) contains this provision as modified by the House bill and with amendments providing for RAVETs to "monitor" rather than "ensure" Federal contractors' compliance with their obligations with respect to veterans' employment.

J. Deputy Assistant Secretary for Veterans' Employment and Training

House bill: The House bill (section 3(a) of H.R. 3460) would amend section 2002A to add a new subsection (c) establishing statutorily (the position having already been established administratively) the position of Deputy Assistant Secretary of Labor for Veterans' Employment and Training (DASVET) within the Senior Executive Service; requiring that the DASVET be an eligible veteran; and requiring the Secretary to appoint a DASVET in accordance with section 3393 of title 5, relating to the recruitment of career appointees, no later than the beginning of program year 1989.

Senate bill: No provision.

Compromise agreement: No provision.

K. Budgeting

Senate bill: The Senate bill (section 3(b)) would amend section 2006(a) of title 38, under which the Secretary is required to include in the Department of Labor's annual budget funds necessary for the administration of chapters 41, 42, and 43 of title 38, including amounts necessary for the numbers of DVOPs required by the DVOP funding formula in section 2003A and to include in the budget submission a separate listing of the proposed number of DVOPs by State, so as to require that (a) the budget include funding (1) for LVERs in accordance with the new LVER funding formula (proposed to be added by section 2(a), discussed above, of the Senate bill), (2) for the NVETSI (proposed to be established by section 8, discussed below, of the Senate bill), and (3) the reasonable expenses of DVOPs and LVERs for training, travel, supplies, and fringe benefits, including travel expenses and per diem for attending the NVETSI; and (b) the budget submission include (1) a separate listing of LVERs by State, and (2) information demonstrating the compliance of the budget submission with the funding formulas for DVOPs and LVERs and the requirement to provide funding for the NVETSI.

House bill: The House bill (section 3(b) of H.R. 3460) is substantively identical to the Senate provision.

Compromise agreement: The compromise agreement (section 2(b)) contains this provision.

L. Use of administrative funds

House bill: The House bill (section 3(c) of H.R. 3460) would amend section 2006(d) of title 38, under which funds available for the proper and efficient administration of chapter 41 are precluded from being made available for any other purpose except with the approval of the Secretary based on a demonstrated lack of need for the funds for administering chapter 41, so as to repeal the exception permitting the use of the funds for a non-chapter 41 purpose.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 2(c)) contains this provision.

M. Reporting requirements

Senate bill: The Senate bill (section 3(c)) would amend section 2007(c) of title 38, relating to an annual report from the Secretary to the Congress on the success during the preceding fiscal year of the Department of Labor and SEAs in carrying out the provisions of chapter 41 and on activities carried out under section 2003A (DVOPs), so as to (a) provide for the report to be submitted to the appropriate committees of the Congress; (b) specify that the report would be due on February 1 of each year; (c) delete the existing requirement that the report include any determination made under present section 2004 which section 3(c) of the Senate bill would amend to delete the Secretary's authority to allow, based upon a demonstrated lack of need, an LVER not to be assigned to the staff of a local employment service office (LESO); (d) also require a report on activities under section 2004 (LVERs); and (e) require that the report contain information on the operation of programs for the provision of employment and training services designed to meet the needs of veterans, including (1) an evaluation of the effectiveness of such programs in meeting the requirements of proposed new subsection (b) of section 2002A (described above under the heading "ADMINISTRATION OF EMPLOYMENT AND TRAINING PROGRAMS"), (2) the efficiency with which services were provided under such programs, and (3) recommendations for further legislative action relating to veterans' employment, including the need for any changes in the formulas governing the appointment of DVOPs and assignment of LVERs, and the allocation of funds for the support of DVOPs and LVERs, as the Secretary considers appropriate.

House bill: The House bill (section 3(d) of H.R. 3460) is substantively the same as the Senate bill with the exceptions that the House bill would (a) make the report due on December 1 of each year, (b) require that the report include a comparison of the job placement rates for eligible veterans, veterans of the Vietnam era, certain categories of veterans with service-connected disabilities, and eligible persons who registered for assistance with the public employment system with the job placement rate for nonveterans so registered for assistance in each State, and (c) not make specific reference to the possible need for changes in the formulas for the appointment of DVOPs and assignment of LVERs, and the allocation of funds for their support.

Compromise agreement: The compromise agreement (section 2(d)) contains the House provision with amendments requiring that (a) job-placement-rate comparisons be made according to age groups; (b) changing from December 1 to February 1 the annual deadline for the Secretary to report annually to the Committees on Veterans' Affairs of the Senate and the House of Representatives; (c) providing for the reports to be based on program years (July 1 through June 30) rather than fiscal years; and (d) restoring the Senate bill's reference to the possible need for changes in the formulas.

LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES

Present section 2004 of title 38 provides that, except as may be determined by the Secretary of Labor based on a demonstrated lack of need for services, the administrative head of the employment service in each State must assign one or more employees, preferably eligible veterans or eligible persons, to the staffs of local employment service offices, whose services must be fully devoted to discharging the duties prescribed for DVETs and Assistant DVETs.

Major provisions in section 3(a) of the compromise agreement would amend section 2004 to establish formulas for the assignment of LVERs and for the funding and allocation of funding for LVERs, provide for preferences in the assignment of LVERs, and delineate the responsibilities of LVERs.

A. LVER funding formula

Senate bill: The Senate bill (section 3(a)) would amend section 2004 of title 38, relating to the assignment to LESO staffs of employees (LVERs) whose services are fully devoted to discharging the duties of veterans' employment representatives, to require that (a) the Secretary, beginning with FY 1988, make available to the States funds sufficient to support the assignment of 1,600 full-time LVERs nationwide, plus the funding necessary to support the States' administration of the LVER program; (b) the funds be allocated to the States (including the District of Columbia, Puerto Rico, and the Virgin Islands) so that each State receives funding for the number of LVERs it had on January 1, 1987, for which funds were provided under chapter 41 (1,379 LVERs according to the Department of Labor) plus one additional LVER; (c) the allocation of funds for the remaining LVER positions up to 1,600 be made pursuant to a formula whereby each State would receive a percentage of those funds equal to the average of (1) the State's percentage of total national veteran population, (2) the percentage of the total of eligible veterans and persons registered with LESOs nationwide who are registered with LESOs in the State, and (3) the State's percentage of the number of full-service LESOs nationwide; and (d) each State's allocation also include funds for the reasonable administrative expenses associated with the number of LVERs for which it is receiving funds.

House bill: The House bill (section 2(a) of H.R. 3460) would amend section 2004 to prescribe an LVER funding formula under which the Secretary would be required to make available during each fiscal year for use in each State an amount sufficient to support (a) one-third of a full-time LVER for each 1,400 eligible veterans or eligible persons who were registered for assistance as of the end of the program year immediately preceding that fiscal year; (b) one-third of a full-time LVER for each 25,000 veterans who were residing in the State at the end of the previous fiscal year; and (c) one-third of a full-time LVER for every LESO in the State at the end of the previous year. In any event, for fiscal year 1988, each State would be required to be provided an amount sufficient to support the number of LVERs in that State as of April 1, 1987. For purposes of determining the number of LVERs under this formula, fractions would be required to be rounded up to the nearest one-half or whole number.

Compromise agreement: The compromise agreement (section 3(a)) contains the Senate provision.

The Committees note their concerns regarding the remoteness of Indian reservations from employment and training services and Native Americans' resulting lack of access to such services. The Committees direct that the ASVET consult with the directors of SEAs in Arizona and South Dakota and in other States with substantial populations of Native Americans living on reservations who are veterans, so that maximum consideration is given to the goal of furnishing those veterans with employment and training services—either itinerant or full-time services—commensurate with their needs. Such assignments would, of course, be made from the number of LVERs allocated to the State in which the reservation is located.

B. Assignment of LVERs

Senate bill: The Senate bill (section 3(a)) would amend section 2004 to require that the LVERs allocated to each State be assigned to LESOs by the administrative head of the SEA, with the concurrence of the DVET, so that as nearly as practicable each LESO with at least 1,100 veteran/eligible-person registrants would have a full-time LVER; one additional LVER would be assigned for each 1,500 additional registrants above the initial 1,100 registrants; and one half-time LVER would be assigned to each LESO at which at least 350 but less than 1,000 such individuals are registered. At an LESO with fewer than 350 such registrants, the head of the office would be responsible for ensuring compliance with provisions in existing law requiring priority services for veterans and priority referral of veterans to Federal contractors.

House bill: The House bill (section 2(a) of H.R. 3460) would amend section 2004 to require that the assignment of LVERs to LESOs be made by the head of the employment service in the State after consultation with the DVET.

Compromise agreement: The compromise agreement (section 3(a)) contains (a) the Senate provision establishing a numerical formula for assigning LVERs to LESOs; (b) the House provision requiring that the assignment of LVERs in a State be made by the head of the SEA after consultation with the DVETs; (c) an amendment to section 2002A requiring that, before approving a grant or contract under which funds are made available in a state under new subsection (b)(5) of new section 2002A in order to carry out section 2003A(a) or 2004(a) and (b) of title 38, the Secretary obtain the funding recipient's certification that it will comply with all provisions in chapter 41 of this title; and (d) an amendment to revise the provision relating to LESOs with fewer than 350 such veteran/eligible-person registrants so as to provide that, in the case of any Wagner-Peyser Act employment services delivery point other than an LESO with 350 or more such registrants—rather than only at an LESO with less than 350 such registrants—the head employee at the services delivery point would have the specified responsibility with respect to services for veterans.

The Committees intend that the annual evaluations of LESOs include an evaluation of compliance with the formula for assigning LVERs.

C. Definition of "registered"

Senate bill: The Senate bill (section 3(a)) would amend section 2004 to provide that, for the purposes of the formula for the allocation of LVERs, an individual would be considered to be registered for assistance with an LESO during a program year if the individual either registered, or renewed his or her registration, for assistance with the office during that program year or registered or renewed his or her registration with that office during a previous program year and, in accordance with regulations which the Secretary would be required to prescribe, is counted as still being registered for administrative purposes.

House bill: The House bill (section 2(a) of H.R. 3460) contains a substantively identical provision.

Compromise agreement: The compromise agreement (section 3(a)) contains this provision.

D. Preference in assignments of LVERs

Senate bill: The Senate bill (section 3(a)) would amend section 2004 to require that persons assigned as LVERs after September 30, 1987, be veterans and that preference in the assignment of LVERs be given to qualified veterans with service-connected disabilities which are compensable or for which they were discharged. Under current law, persons assigned as LVER's are to be "preferably eligible veterans or eligible persons".

House bill: No provision.

Compromise agreement: The compromise agreement (section 3(a)) contains this provision with amendments (a) deleting any reference to eligible veteran or person status as a qualification for an LVER assignment but requiring that preference in the assignments be given to qualified eligible veterans or eligible persons in the following order: (1) qualified service-connected disabled veterans, (2) qualified veterans, and (3) qualified eligible persons; and (b) delaying (to July 1, 1988) the effective date of the preference requirement.

E. Definition of Local Employment Service Office (LESO)

House bill: The House bill (section 2(b) of H.R. 3460) would amend section 2001 of title 38, relating to definitions of certain terms used in chapter 41, to add a provision defining the term "local employment service office" as a service delivery point which has an intrinsic management structure and at which employment services are offered in accordance with the Wagner-Peyser Act.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 3(b)) contains this provision.

The Committees intend that a satellite office not be considered to be an LESO, but rather a part of the LESO having jurisdiction over it.

F. Responsibilities of LVERs

Senate bill: The Senate bill (section 3(a)) would amend section 2004 to require that work of LVERS be fully devoted to—

(a) providing, or facilitating the provision of, counseling services to veterans who are certified as eligible for participation in the VJTA program; and

(b) discharging at the local level the duties of DVETs and ADVETs as provided in section 2003(c)(1)(B) and (c)(2) through (12) of title 38, which (as proposed to be amended by section 7(a) of the Senate bill, discussed below) are to—

(1) be functionally responsible for the supervision of the registration of eligible veterans and eligible persons in LESOs for suitable types of employment and training and for counseling and placement of eligible veterans and eligible persons in employment and training programs, including VJTA;

(2) engage in job development and job advancement activities for eligible veterans and persons, including maximum coordination with appropriate VA officials in the VA's carrying out of its outreach services responsibilities and in the conduct of job fairs and other special programs to match eligible veterans and persons with appropriate job and job-training opportunities and otherwise to promote the employment of eligible veterans and eligible persons;

(3) assist in securing and maintaining current information as to the various types of available employment and training opportunities, including maximum use of electronic data processing and telecommunications systems and the matching of an eligible veteran's or person's particular qualifications with an available opportunity commensurate with those qualifications;

(4) promote the interest of employers and labor unions in employing eligible veterans and persons and in conducing on-job training and apprenticeship programs for them;

(5) maintain regular contact with employers, labor unions, training programs, and veterans' organizations with a view to keeping them advised of eligible veterans and persons available for employment and training and to keeping eligible veterans and persons advised of opportunities for employment and training;

(6) promote and facilitate the participation of veterans in Federal and Federally-funded employment and training programs and directly monitor the implementation and operation of such programs to ensure that eligible veterans, veterans of the Vietnam era, service-connected-disabled veterans, and eligible persons receive such priority or other special consideration in the provisions of services as is required by law or regulation;

(7) assist in every possible way in improving working conditions and the advancement of employment of eligible veterans and eligible persons;

(8) supervise the listing of jobs and subsequent referrals of qualified veterans as required by section 2012 of title 38;

(9) be responsible for ensuring that complaints of discrimination filed under section 2012 are resolved in a timely fashion;

(10) working closely with appropriate VA personnel who provide counseling or rehabilitation services under chapter 31 of title 38, cooperate with employers to identify disabled veterans who have completed or are participating in a vocational rehabilitation training program under chapter 31 and who are in need of employment;

(11) cooperate with the staff of VA readjustment counseling programs for Vietnam-era veterans in identifying and assisting veterans who have readjustment problems and who may need employment placement assistance or vocational training assistance;

(12) when requested by a Federal or State agency or a private employer, assist it in identifying and acquiring prosthetic and sensory aids and devices which tend to enhance the employability of disabled veterans; and

(13) not less frequently than annually, conduct an evaluation at each LESO of the services provided to eligible veterans and eligible persons and make recommendations for corrective action as appropriate.

House bill: The House bill (section 2(a) of H.R. 3460) would prescribe the duties to be discharged by LVERs in a new subsection (b) of section 2004. The prescribed duties would include duties substantively identical to those described in items (4), (5), (8), (10), (11), and (12), above, except that, with respect to item (5), "community leaders" is added to the group with which contact is to be maintained; with respect to item (8), LVER's would be required to "monitor" rather than "supervise" the listings and referrals; and, with respect to item (12), a "service-connected disabled veteran" would be added to those who, upon request, are to be assisted. The other duties would be —

(a) to supervise functionally the provision of services to eligible veterans and eligible persons by LESO staff;

(b) to provide directly, or facilitate the provision of, labor exchange services to eligible veterans and persons in LESOs, including intake and assessment, counseling, testing, job-search assistance, and referral and placement;

(c) to promote, facilitate, and monitor the participation of veterans in Federal and Federally-funded employment and training programs, and monitor the listing of vacant positions with the United States Employment Service by Federal agencies as required by section 3327 of title 5;

(d) to refer eligible veterans and persons to training, supportive services, and educational opportunities, as appropriate; and

(e) to assist, through electronic data processing, in securing and maintaining current information regarding available employment and training opportunities.

Compromise agreement: The compromise agreement (section 3(a)) would prescribe the duties of LVERs as specified in the House bill except that (1) in the provision described in item (c), LVERs would not be required to "facilitate" veterans' participation, the reference to Federal programs would be deleted, and a requirement would be added for LVERs to report to the DVET or ADVET concerned any evidence of failures to provide veterans with the priority or other special consideration required by law or regulation; and (2) a requirement would be added for LVERs to facilitate the provision of guidance and counseling services for veterans certified as eligible for participation under VJTA.

The Committees do not intend that the listing of LVERs' duties in section 2004(b) preclude the assignment of additional duties to LVERs when necessary under unusual circumstances.

PERFORMANCE OF DISABLED VETERANS' OUTREACH PROGRAM SPECIALISTS AND LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES

A. Development and application of performance standards

Senate bill: The Senate bill (section 4(a)) would amend chapter 41 to add a new section 2004A, subsection (a) of which would (a) require the Secretary, after consultation with SEAs or their representatives, or both, to prescribe, and provide for the implementation of, standards for the performance of DVOPs and LVERs and monitor the activities of DVOPs and LVERs; (b) require that the standards provide for the effective performance at the local level of the statutory duties of DVOPs and LVERs and include as one of the measures of a DVOP's performance the extent to which the DVOP, while serving in the capacity of a case manager under section 14(b)(1)(A) of VJTA (as proposed to be amended by section 11(b)(1) of the Senate bill (discussed below)), facilitates rates of successful training-completion under VJTA; and (c) authorize the ASVET, in entering into an agreement with a State for the provision of DVOP or LVER funding, personally to make exceptions to the standards to take into account local conditions and circumstances.

House bill: No provision.

Compromise agreement: The compromise agreement (section 4(a)(1)) would amend chapter 41 to add a new section 2004A under which each SEA would be required to develop and apply DVOP and LVER performance standards which are consistent with the statutory duties and functions of DVOPs and LVERs and include as a measure of a DVOPs performance the extent to which the DVOP, as a VJTA case manager, facilitates successful VJTA training-completion rates. In developing the standards, each SEA would be required to take into account model standards (which the Secretary would be required to develop after consultation with the SEAs or their representatives) and any comments of the DVET concerned (to whom the SEA would be required to aubmit the proposed standards for a 30-day comment period) and would be authorized to take into account the State's personnel merit system requirement and other local circumstances and requirements and to request the assistance of the DVET (who, upon request, would be required to provide appropriate assistance). A freestanding provision in the compromise agreement (section 4(b)) would require each SEA to develop and promulgate the standards as quickly as feasible and to submit the proposed standards to the DVET not later than 12 months after the date on which the Secretary provides it with the prototype standards and to adopt final standards not later than 60 days after receiving the DVET's comments.

The Committees expect SEAs to develop DVOP position descriptions which are based on the standards developed for DVOPs' performance and consistent with their duties and functions as set forth in sections 2003A(b) of title 38.

B. Monitoring of compliance with performance standards

Senate bill: The Senate bill (section 4(a)), in subsection (b) of the proposed new section 2004A (described above), would (a) require that DVETs and ADVETs regularly monitor the performance of DVOPs and LVERs through the application of the performance standards; and (b) require each DVET (or the DVET's designee) to submit to the head of the SEA recommendation and comments in connection with each annual performance rating of a DVOP or LVER in the State.

House bill: No provision.

Compromise agreement: The compromise agreement (section 4(a)(1)) contains this provision with amendments authorizing rather than requiring the DVET to submit the recommendations and comments and deleting the express reference to a designee of the DVET submitting the recommendations and comments.

The Committees intend that the DVET's and ADVET's monitoring of the performance of DVOPs and LVERs include but not be limited to (a) a review of quarterly reports provided to DVETs under new section 2004(c) of title 38 with respect to Federal law and regulations with respect to special services and priorities for veterans and other eligible persons; and (b) the annual evaluations, under new clause (13) of section 2003(c), of the services provided by the LESO in question to eligible veterans and eligible persons.

WAIVER OF RESIDENCY REQUIREMENTS FOR DIRECTORS AND ASSISTANT DIRECTORS OF VETERANS' EMPLOYMENT AND TRAINING

Senate bill: The Senate bill (section 5) would amend section 2003(b) of title 38, which requires that, at the time of appointment, a DVET or ADVET be an eligible veteran who has been a resident of the State for at least 2 years, so as to (a) provide that the Secretary, upon determining that it is necessary to consider for appointment as a DVET an ADVET with 2 years of experience, may waive the 2-year State residency requirement; and (b) require that, in the event of such a waiver, preference be given to any equally qualified veteran who meets the residency requirement.

House bill: The House bill (section 7 of H.R. 3406) would amend section 2003(b) to authorize the Secretary to waive the State residency requirement and appoint any qualified veteran as a DVET or an ADVET if the Secretary determines that there is no qualified veteran available who meets the residency requirement.

Compromise agreement: The compromise agreement (section 5) contains the House provision.

SHARING OF INFORMATION REGARDING POTENTIAL EMPLOYERS

A. Department of Defense assistance to the Department of Labor and Veterans' Administration

Senate bill: The Senate bill (section 6(a)) would amend section 2005 of title 38, relating to Federal agencies' cooperation with the Secretary of Labor in providing employment and training opportunities to veterans, to require the Secretary of Defense—in order to assist the Secretary of Labor and the Administrator of Veterans' Affairs in identifying employers with potential job training opportunities under VJTA and in carrying out chapter 41—to provide to the Secretary and the Administrator, not more than 30 days after the enactment date, the then-current list of employers participating in the National Committee for Employer Support of the Guard and Reserve (NCESGR). After providing the list, the Secretary of Defense would be required to provide, on the 15th of each month, updated information regarding it.

House bill: No provision.

Compromise agreement: The compromise agreement (section 6(a)) contains this provision with an amendment changing the reference to the required list from "the then-current list of employers participating in the [NCESGR]" to "any list maintained by the Secretary of Defense of employers participating in the [NCESGR]".

B. Veterans' Administration/Department of Labor Cooperation

Senate bill: The Senate bill (section 6(a)) would amend section 2008 of title 38, requiring the Secretary of Labor to consult with the Administrator on activities under chapter 41, to require the Administrator to require each VA regional office to provide on a monthly or more frequent basis to appropriate LESOs and Department of Labor (DoL) offices, as designated by the Secretary, the names and addresses of employers which offer approved programs of job training under VJTA in the regional office's area.

House bill: No provision.

Compromise agreement: The compromise agreement (section 6(b)) contains this provision with an amendment requiring that the Administrator, rather than each VA regional office, provide monthly or more frequently to such LESOs and DoL offices the names and addresses of such employers in the areas served by those LESOs and DoL offices.

RESPONSIBILITIES OF PERSONNEL

A. Functional supervision

Senate bill: The Senate bill (section 7(a)) would amend section 2003(c), relating to the functions of DVETs and ADVETs, to require DVETs and ADVETs to supervise functionally the provision of services to eligible veterans and eligible persons by the SEA and by other employment or training programs administered by the Secretary of Labor, by grantees of Federal or Federally-funded employment or training programs, or by the State.

House bill: The House bill (section 4 of H.R. 3460) contains a substantively identical provision.

Compromise agreement: The compromise agreement (section 7(a)) contains this provision.

The Committees intend "functional supervision" by DVETs and ADVETs to be distinct from "line supervision" by LESO managers. Provision of functional supervision by DVETs and ADVETs is not intended to impose—nor will it impose—a dual management structure on the LVER or DVOP program. Functional supervision is to entail providing technical assistance, making suggestions for improvement of services, helping to plan programs and projects, checking for compliance with ETA regulations affecting veterans, helping to correct errors by working with local and state staffs, analyzing work as it affects veterans and eligible persons, training new state agency employees and providing refresher courses for state agency staff, and bringing matters which require corrective action to the attention of those state agency personnel who have authority over policy, procedures and staff. Functional supervision does not authorize a DVET or ADVET to hire, fire, discipline, or issue directives to state agency employees. Nor does it authorize a DVET or ADVET to make regulations, change procedure, or establish internal policies for the state agency.

B. Responsibilities for placements in Veterans' Job Training Act programs and for the development of other opportunities

Senate bill: The Senate bill (section 7(a)) would amend section 2003(c) to (a) specify that, in the current provision requiring DVETs and ADVETs to be functionally responsible for supervising the registration of eligible veterans and persons in LESOs for employment and training and for counseling and placement in employment and job-training programs, the reference to such programs includes programs under VJTA, and (b) clarify that DVETs' and ADVETs' duties to engage in job development and job advancement activities for eligible veterans and persons includes the general responsibility, "otherwise to promote the employment of eligible veterans and eligible persons".

House bill: No provision.

Compromise agreement: The compromise agreement (section 7(a)) contains this provision.

C. Veterans' preference

House bill: The House bill (section 4 of H.R. 3460) would amend section 2003(c) to require DVETS and ADVETS to monitor the implementation of Federal laws requiring preference for veterans in employment and job advancement opportunities within the Federal Government.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 7(a)) contains this provision with an amendment requiring DVETs and ADVETs to report evidence of noncompliance to the Office of Personnel Management (OPM) for appropriate enforcement or remedial action.

D. Listing of job vacancies

House bill: The House bill (section 4 of H.R. 3460) would amend 2003(c) to require DVETS and ADVETS to monitor the listing of vacant positions with the United States Employment Service by Federal agencies as required by section 3327 of title 5.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 7(a)) contains this provision with amendments requiring that the monitoring be carried out through DVOPs and LVERs and that DVETs and ADVETs report evidence of noncompliance to OPM for appropriate enforcement or remedial action.

E. Evaluations

Senate bill: The Senate bill (section 7(a)) would amend section 2003(c) to require DVETs and ADVETs to conduct, not less frequently than annually, evaluations of services provided to eligible veterans and persons at each LESO and to make recommendations for corrective action as appropriate.

House bill: No provision.

Compromise agreement: The compromise agreement (section 7(a)) contains this provision with an amendment requiring that the evaluations be conducted at LESOs in accordance with the following order of priority: (a) those that have demonstrated less-than-satisfactory performance during either of the two previous program years; (b) LESOs with the largest numbers of veterans registered during the previous program year; and (c) other LESOs as resources permit.

F. Additional duties of DVOPs

Senate bill: The Senate bill (section 7(b)) would amend section 2003A(c) of title 38, relating to the functions of DVOPs, (a) to clarify that the DVOP responsibility to provide appropriate assistance to community-based groups and organizations and grantees under Federal and Federally-funded employment and training programs in serving eligible veterans includes assisting those entities receiving funding under part C of title IV of the JTPA, relating to certain employment programs for service-connected disabled and Vietnam-era veterans and those recently separated from military service; (b) clarify that the DVOP responsibility to consult and coordinate with representatives of Federal, State, and local programs in order to develop linkages to promote employment opportunities for, and provide employment assistance to, veterans includes consulting and coordinating with representatives of the VJTA program; and (c) add the following DVOP responsibilities: (1) providing counseling services to veterans with respect to their selection of and changes in vocations and to their vocational adjustment, and (2) providing services as case managers under paragraph (1)(A) of proposed new subsection (b) (discussed below) of section 14 of VJTA.

House bill: No provision.

Compromise agreement: The compromise agreement (section 7(b)) contains this provision with an amendment providing for DVOPs to be responsible for providing "vo-

cational guidance or vocational counseling services, or both" to veterans, rather than "counseling services."

NATIONAL VETERANS' EMPLOYMENT AND TRAINING SERVICE INSTITUTE

Senate bill: The Senate bill (section 8) would amend chapter 41 to add a new section 2010A, entitled "National Veterans Employment and Training Service Institute", to require the ASVET, for the purpose of providing for such training as the Secretary considers necessary and appropriate for the efficient and effective provision of employment, job-training, placement, and related services to veterans, to establish and make available such funds as may be necessary to operate a National Veterans' Employment and Training Services Institute (NVETSI) for the training of DVOPs, LVERs, DVETs and ADVETs, and such other personnel involved in the provision of employment, job-training, counseling, placement, or related services to veterans as the Secretary considers appropriate.

House bill: The House bill (section 5 of H.R. 3460) would revise present section 2009 of title 38, the current provisions of which would be supplanted under the House bill by proposed amendments to section 2004 and 2007, to incorporate a provision substantively identical to the Senate provision with the addition of a provision specifying that the funding required to be made available for the operation of the NVETSI would include travel expenses and per diem for attendance at the NVETSI.

Compromise agreement: The compromise agreement (section 8) contains the House provision with an amendment (a) requiring the Secretary, as the Secretary considers appropriate, to provide out of the program funds designated for the NVETSI, training of VETS personnel at the ANVETSI, including their travel expenses and per diem; and (b) changing the word "Service" to "Services" in the title of the Institute.

SPECIAL UNEMPLOYMENT STUDY

Senate bill: The Senate bill (section 9) would amend chapter 41 to add a new section 2010B, entitled "Special unemployment study", requiring the ASVET, through the Bureau of Labor Statistics to conduct every two years, and report to the Congress on, studies of unemployment among (a) special disabled veterans (that is, those who either (1) have a service-connected disability rated at 30 percent or more, (2) have a service-connected disability rated at 10 or 20 percent and have been determined for purposes of the VA's program of vocational rehabilitation for service-connected disabled veterans to have a serious employment handicap, or (3) were discharged or released from active duty because of a service-connected disability; and (b) veterans who served in the Vietnam Theater during the Vietnam conflict. The first study would be required to be completed by July 1, 1988.

House bill: No provision.

Compromise agreement: The compromise agreement (section 9) contains this provision with an amendment (a) requiring the first study to be completed not later than six months after the enactment date.

SECRETARY'S COMMITTEE ON VETERANS' EMPLOYMENT

Senate bill: The Senate bill (section 10 and 12(a)(3)), would amend section 2010(b)(1) of title 38, relating to the membership of the Secretary of Labor's Committee on Veterans' Employment, so as to (a) add to the membership representatives of the Secretary of Education and the Postmaster General, and (b) require the Secretary to continue to chair the Committee notwithstanding the general requirement, in proposed new subsection (b)(1) of section 2002A (discussed above), that the Secretary carry out chapter 41 through the ASVET.

House bill: The House bill (sections 6 and 8(a)(3) of H.R. 3460) contains substantively identical provisions and a provision also adding a representative of the Director of the ACTION Agency to the Committee.

Compromise agreement: The compromise agreement (section 10) contains the Senate provisions with an amendment to authorize the Secretary (not the ASVET) to add a representative of any other Federal agency which has requested to be represented on the Committee.

REVISIONS OF NOMENCLATURE

A. Secretary of Labor

Senate bill: The Senate bill (section 12(a)(1) and (2)) would define the term "Secretary" as the Secretary of Labor and make a series of conforminng amendments.

House bill: The House bill (section 8(a)(1) and (2) of H.R. 3460) contains an identical provision.

Compromise agreement: The compromise agreement (section 13(a)(1) and (2) contains this provision.

B. Assistant Secretary for Veterans' Employment and Training-Directors and Assistant Directors for Veterans' Employment and Training

Senate bill: The Senate bill (section 12(b)) would make a series of amendments to chapter 41 to add "and Training" to the titles of Assistant Secretary for Veterans' Employment, State Director for Veterans' Employment, and Assistant State Director for Veterans' Employment each time they appear.

House bill: The House bill (section 8 of H.R. 3460) contains identical provisions and also deletes the word "State" from the titles of State and Assistant State Director for Veterans' Employment.

Compromise agreement: The compromise agreement (section 13(a)(3)) contains the House provision.

VETERANS' JOB TRAINING ACT (VJTA)

A. Case-management and services

Senate bill: The Senate bill (section 11) would amend section 14(g) of the VJTA, relating to certain counseling and information services for veterans participating in job training programs under VJTA, so as to require the Administrator and the Secretary jointly to provide for a program under which—except where the Secretary determines that either the employer has an appropriate and effective employee assistance program which is available to all veterans participating in the employer's VJTA job training programs, or the rate of veterans' successful completion of the employer's VJTA job training programs, either cumulatively or during the previous program year, is 60 percent or higher—(a) a DVOP is assigned as a case manager for each veteran participating in a VJTA job-training program; (b) the veteran has an in-person interview with the case manager not later than 60 days after entering into such a program; and (c) not less frequent than monthly contact is maintained with the veteran for the purposes of (1) avoiding unnecessary termination of employment, (2) referring the veteran to appropriate counseling, if necessary, (3) facilitating the veteran's successful completion of such program, and (4) following up with the employer and the veteran in order to determine the veteran's progress in the program and the outcome regarding the veteran's participation in, and successful completion of, the program. Under current law, the Secretary alone is required to provide for a program of periodic contact and only for the purposes stated in items (a), (b), and (c), above. In addition, the Senate bill would amend section 7(d) of the VJTA, relating to the certification which an employer must provide with its application for approval of a job training program for VJTA purposes, to require that the employer certify that, as applicable the employer will provide to each veteran participating in a VJTA job training program of the employer the full opportunity to participate during the veteran/employee's normal workday in a personal interview with a case manager.

House bill: No provision.

Compromise agreement: The compromise agreement (section 11(a)(1) and 4) contains these provisions with amendments to (a) delete the requirement that the Administrator jointly provide for the program; and (b) provide that no case manager is to be assigned if, on basis of a recommendation by a DVOP, the Secretary determines that the services of a case manager are not needed for an individual participant.

B. Services to non-completers

Senate bill: The Senate bill (section 11(b)) would amend present section 14 of the VJTA, relating to counseling services, to add a new subsection (c) that would require that, before, a veteran who has voluntarily terminated, or was involuntarily terminated by his or her employer, from a VJTA job training program may be eligible for a new or renewed certificate of VJTA eligibility, the veteran must be provided by the Administrator with appropriate vocational counseling in light of the termination.

House bill: No provision.

Compromise agreement: The compromise agreement (section 11(a)) contains this provision with an amendment requiring the Secretary, in consultation with the Administrator, to provide the veteran with the services of a case manager—rather than vocational counseling.

C. Counseling and information services

Senate bill: The Senate bill (section 11(b)) would amend section 14(b) of the VJTA, requiring the Secretary to provide for certain counseling and information services for veterans participating in job-training programs (after consultation with the Administrator as to certain matters), so as to (a) require that the program be carried out jointly by the Secretary and the Administrator; (b) with respect to services designed to resolve difficulties that may be encountered by veterans during their VJTA training, specify that the services be provided pursuant to subchapter IV of chapter 3 of title 38, relating to the VA's program of veterans outreach services, section 612A, relating to readjustment counseling for Vietnam-era veterans, section 2003A, relating to DVOPs, and section 2004, relating to LVERs; and (c) modify the existing general requirement that all participating veterans and employers be advised of the availability of such counseling services and other related services and assistance and encouraged to request them whenever appropriate so as to require specifically that a program of information services be established under which each veteran who enters into a VJTA program of job training and each VJTA employer would be informed of the supportive services and resources available to the veter-

an under VJTA through (1) the above-mentioned case-manager and difficulty-resolution services, (2) VA counseling and career-development activities (especially, in the case of a Vietnam-era veteran, readjustment counseling services under section 612A of title 38), and services under part C of title IV of the JTPA, and (3) other appropriate agencies in the community.

House bill: No provision.

Compromise agreement: The compromise agreement (section 11(a)) contains this provision with an amendment specifying that the above-described programs of counseling or other services and information would be provided "to the extent feasible".

D. Employability training and counseling

House bill: The House bill (section 5 of H.R. 1504) would amend section 14(a) of the VJTA, relating to employment counseling services for veterans eligible to participate in VJTA; to require the Administrator (a) after consultation with the Secretary, to provide a program of employability training and counseling services designed to assist veterans in finding, applying for, and successfully participating in a suitable program of job training under the VJTA; and (b) to coordinate such services, to the extent practicable, with the VA readjustment counseling program for Vietnam-era veterans under section 612A of title 38 and advise veterans participating under VJTA of the availability of such services and encourage them to request such services whenever appropriate. In addition, section 16 of the VJTA, relating to the authorization of appropriations, would be amended so that not less than 5 percent of any amount appropriated pursuant to section 16 after June 3, 1987, would be required to be made available for VJTA counseling services, especially with respect to this program of employability training and counseling services.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 11(a)(2)) contains the House provision with amendments to (a) specify that a program of job-readiness skills development and counseling services is to be designed to assist veterans in need of such services; (b) to delete the proposed 5-percent set-aside of VJTA appropriations and require instead that payments for job-readiness skills development and counseling services under VJTA be paid out of the same account (the VA's readjustment benefits account) as are funds for providing services under section 1504(a)(7), relating to the provision of vocational and other training services and assistance as part of the programs of rehabilitation for certain veterans with service-connected disabilities under chapter 31 of title 38; and (c) to limit to an amount equal to 5 percent of the amount obligated under the VJTA for a fiscal year the amount which may be paid for such development services during that year, except that in FY 1988 the limit would be 5 percent of the VJTA funds available ($27,647,949) on October 1, 1987.

The Committees intend that the VA, before placing a VJTA-eligible veteran in such a program of job-readiness skills development and counseling services, must find that the regular services of LVERs and the DVOP case-management services are not sufficient for the eligible veteran to participate successfully in a suitable VJTA program.

E. Discontinuance of approval of participation in programs of employers with unsatisfactory completion rates

Senate bill: The Senate bill (section 11(c)) would amend section 11 of VJTA, relating to the discontinuance of approval of veterans' participation in programs of job training under VJTA, to provide that, if the Secretary determines, after consultation with the Administrator and in accordance with regulations which the Administrator and Secretary would be required jointly to prescribe, that the rates of veterans' successful completion in an employer's VJTA program is disproportionately low, the Administrator must disapprove participation in the employer's job-training programs on the part of veterans who had not begun participation on the date that the employer is notified of the disapproval. The VA would be required to give notice—by certified or registered letter, with a return receipt requested—of the disapproval, the reasons for it, and the opportunity for a hearing. The Senate bill also would require that a disapproval remain in effect as to new enrollments of veterans until the Administrator determines that adequate remedial action has been taken. In determining whether remedial actions taken by the employer are adequate to ensure future avoidance of a disproportionately low rate of successful completion, the Administrator would be authorized—except in the case of an employer having an appropriate employee assistance program or VJTA completion rates of 60 percent or higher—to condition the reinstatement of approval on the use of a modified payment formula under which in the case of a program of job training of 4 or more months' duration, payments for the initial months (up to the first 4) would be reduced from 50 percent to 30 percent of the veteran's starting wage; for any period after the first 4 months, payments to the employer would be increased to 50 percent of the veteran's starting wage; and the amounts so withheld would be paid to the employer upon the veteran's completion of the job training program. In the case of a program of less than 4 months duration, payment for the months prior to the final scheduled month would equal 30 percent of the veteran's starting wage.

House bill: No provision.

Compromise agreement: The compromise agreement (section 11(b)) would require the Administrator, if the Administrator determines that an employer has a disproportionately low VJTA completion rate due to a deficiency in the quality of its training programs, to disapprove new enrollments of veterans in the employer's VJTA programs until the Administrator determines that adequate remedial action has been taken. In making that determination, the Administrator would be required to use appropriate available VA data, including (a) the quarterly data provided by the Secretary with respect to the numbers of veterans who receive counseling in connection with VJTA training, are referred to VJTA employers, participate in job training under VJTA, complete or do not such training, and the reasons for non-completion; and (b) any data compiled through the particular employer's compliance surveys.

F. Authorization of appropriations

Senate bill: The Senate bill (section 11 (d)) would amend section 16 of the VJTA, relating to the authorization of VJTA appropriations, so as to (a) authorize appropriations of $60 million for each of fiscal years 1988 and 1989, expressly in addition to the authorization in the Stuart B. Mckinney Homeless Assistance Act (Public Law 100-77), which authorized appropriations totalling $65 million for fiscal years 1986, 1987, and 1988; and (b) provide that the funds would remain available through the end of fiscal year 1991.

House bill: The House bill (section 3 of H.R. 1504) would amend section 16 of the VJTA (a) to authorize the appropriation of $30 million for fiscal year 1987 and $60 million for each of fiscal years 1988, 1989, and 1990; and (b) provide that funds would remain available through the end of fiscal year 1992.

Compromise agreement: The compromise agreement (section 11(c)) would (a) authorize appropriations of $60 million for each of fiscal years 1988 and 1989; and (b) provide for the availability of funds through the end of fiscal year 1991.

G. Reobligation of funds

Senate bill: The Senate bill (section 11(d)) would amend section 16 of the VJTA to (a) provide that any refunds appropriated for the VJTA for any fiscal year which are obligated for the purpose of making payments to an employer on behalf of veteran participating in a VJTA job-training program—including funds so obligated which previously has been obligated for that purpose on behalf of another veteran and were thereafter de-obligated—and are later de-obligated, would immediately upon de-obligation become available for re-obligation for VJTA payments; and (b) provide that no officer or employee in the executive branch would be permitted to delay in any manner, directly or indirectly, the re-obligation of the funds.

House bill: No provision.

Compromise agreement: The compromise agreement (section 11(c)) contains this provision.

H. Deadlines for veterans' applications and entry into training

Senate bill: The Senate bill (section 11(e)) would amend section 17 of the VJTA, relating to the deadlines by which eligible veterans must apply for participation in the VJTA program and enter into training under the program, to extend the deadline for a veteran to apply for participation in the program from December 31, 1987 (at the time of Senate passage), to June 30, 1989, and the deadline by which a veteran participant in VJTA must enter a job training program from June 30, 1988 (at the time of Senate passage) to December 31, 1989.

House bill: The House bill (section 2 of H.R. 1504) would amend section 17 of the VJTA to extend the deadlines to September 30, 1990, and March 30, 1991, respectively.

Compromise agreement: The compromsie agreement (section 11(d)) would extend the application deadline to September 30, 1989, and the training-program-entry deadline to March 31, 1990.

The Committees note that with the enactment of section 201 of the Veterans' Compensation Amendments of 1987 on December 31, 1987, the deadline for eligible veterans to apply for VJTA training was extended from December 31, 1987, to June 30, 1988.

I. Data on participation

Senate bill: The Senate bill (section 11(g)) would require the Secretary, on a not less frequent than quarterly basis, to collect from the heads of SEA's and from DVETs information available to them and information derived from programs carried out in their respective States with respect to the

numbers of veterans who receive counseling services pursuant to section 14 of VJTA, are referred to employers participating under VJTA, participate in VJTA programs of job training, and complete such programs, and the reasons for veteran's non-completion.

House bill: No provision.

Compromise agreement: The compromise agreement (section 11(f) contains this provision.

J. Expansion of eligibility

Senate bill: The Senate bill (section 11(a)) would amend section 5(a)(1) of the VJTA, relating to the eligibility criteria for a veteran to participate in a program of job training under the VJTA, to expand those criteria. Under current law, eligibility is limited to unemployed veterans with service during the Korean conflict or Vietnam era who have been unemployed at least 10 of the 15 weeks preceding their application and who either served on active duty for more than 180 days or were discharged or released for a service-connected disability or are entitled to VA service-connected disability compensation. The Senate bill would expand eligibility by (a) eliminating the requirement for service during the Korean conflict or Vietnam era; and (b) eliminating the 10-of-15-week unemployment criterion for certain veterans who are unemployed as the result of a plant closing or major reduction in employment by their previous employer. In addition, S. 477 (section 106), the proposed "Homeless Veterans' Assistance Act of 1987", as passed by the Senate on March 31, 1977, would eliminate the length-of-unemployment eligibility criterion for homeless veterans and veterans with service-connected disabilities rated at 30 percent or more.

House bill: The House bill (section 4 of H.R. 1504) would require the VA to conduct a study—and report its findings and conclusions within 180 days after the date of enactment—to determine (a) the number of veterans who are unemployed as a result of a permanent closure of a plant or other facility or any substantial portion thereof; (b) the percentage of these veterans who are disabled; (c) the degree of concentration of these veterans in the different geographical areas of the country; and (d) the types of employment in which these veterans were engaged on a regular basis before their current unemployment.

Compromise agreement: The compromise agreement does not contain these provisions.

TRAINING AND EMPLOYMENT STUDY AND REPORT

House bill: The House bill (section 4 of H.R. 1504) would require the Administrator and the Secretary to conduct a study of the implementation of the VJTA and transmit to the Congress, within 90 days after the date of enactment, a report containing the findings and conclusions of the study, including (a) a listing, by regional office and by State, of the number of veterans placed in VJTA job training programs and the percentage that that number represents of the total number of veterans certified (not including renewal of certifications), by regional office and by State, as eligible for participation under VJTA; (b) a description, by regional office and by State, of the demographic nature (including race, sex, age, educational level, income before placement, and income after placement) of veterans placed in VJTA program; (c) a description, by regional office and by State, of the demographic nature (including, race, sex, age, educational level, and income) of veterans certified as eligible for participation under VJTA but not placed in a job training program; (d) an analysis of the reasons that veterans certified as eligible for participation have not been placed in a program of job training under VJTA; (e) a listing, by regional office and by State, of the number of veterans who were certified as eligible for VJTA participation and were not placed in a program of job training under VJTA but were later placed in another job training program or employment; (f) a description, by regional office and by State, of the rate at which veterans have discontinued participation in, without completing, a program of job training under VJTA with a separate rate stated for those who discontinued within 3 months after beginning such a program, and those who discontinued within 6 to 9 months after such beginning; (g) an analysis of the major reasons for veterans failing to complete such a training program; (h) a ranking of the 25 categories of employers who have most frequently been denied VJTA approval of a program of job training, with the ranking being made on the basis of the number of such denials for each such category; and (i) a ranking of the 25 categories of employment in which veterans have most frequently received employment as a result of a VJTA program with the ranking being made on the basis of the number of jobs provided in each category.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 12) contains this provision with amendments (a) to require that the Administrator alone provide for the study and that it be transmitted to the appropriate Committees of the Congress within one year after enactment; (b) to provide expressly for the study to be based on statistically valid samplings and for the requisite data to be provided "to the extent feasible"; and (c) to change the reference to categories of employers to categories of employment.

STATE APPROVING AGENCIES

House bill: The House bill (section 6 of H.R. 1504) would amend section 1774 of title 38, relating to the reimbursement of expenses of State and local agencies (known as "State Approving Agencies" (SAA's), for reasonable and necessary expenses of salary, travel, and administration incurred in performing contracts with the VA for the approval of courses of education and programs of training on-the-job for purposes of VA education benefits, so as to (a) transfer the SAA funding from the VA's general operating expenses account to the readjustment benefits account; (b) require the VA to reimburse SAA's for their reasonable and necessary expenses up to a cap of $12 million annually and specify that, for any fiscal year in which the total amount of reasonable and necessary expenses of SAA's exceeds $12 million, each SAA would receive the same percentage of the $12 million as it would have received of the total amount if the $12 million limitation did not exist; (c) require that each SAA with which the VA contracts submit to the Administrator on a monthly or quarterly basis, as determined by the SAA, a report certifying its reasonable and necessary expenses incurred for salary and travel in carrying out the contract with the Administrator; (d) require the VA to make the payment to the SAA within a reasonable time after the submission of such a report; and (e) require the Administrator to transmit to the Congress a quarterly report which summarizes the amounts for which the SAA submitted certifications for the quarter and the amounts of the payments made by the Administrator with respect to those certifications.

Senate bill: No provision.

Compromise agreement. The compromise agreement (section 14) contains these provisions with amendments (a) providing that, in the case of payment made to an SAA for FY 1988—before the date of enactment of this bill from an account other than the account used for payment of readjustment benefits—the account from which the payment was made would be reimbursed from the account used for payment of readjustment benefits, and (b) to add (to subchapter I of chapter 36 of title 38, relating to SAA's) a new section 1774A, entitled "Evaluations of agency performance; qualifications and performance of agency personnel". This new section would (a) require the Administrator to (1) conduct, in conjunction with SSAs, an annual evaluation of each SAA on the basis of standards developed by the Administrator with the cooperation of the SSA's and give each SAA an opportunity to comment on its evaluation, (2) take into account the results of the annual evaluation of an SAA when negotiating the terms and conditions of a contract or agreement with the SAA under section 1774 of title 38, (3) supervise functionally the provision of approval services by SSAs under the subchapter, (4) cooperate with SAA's in developing and implementing, to the extent practicable, a uniform national curriculum for training new SAA employees and for the continuing training of SAA employees, and sponsor, with the SAA's, the provision of such training, (5) prescribe prototype qualification and performance standards, developed in conjunction with SAA's, for use by the SAA's in the development of qualifications and individual performance standards for SAA personnel carrying out duties under a contract or agreement entered into under section 1774(a), and (6) provide assistance to an SAA requesting such assistance in developing its personnel qualifications and performance standards; (b) require each SAA carrying out a contract or agreement with the Administrator under section 1774(a) after the 18-month period beginning on the date of enactment to (1) apply qualification and performance standards based on the prototype standards prescribed by the administrator, and (2) make available to any person, upon request, the criteria used to carry out its functions under a contract or agreement entered into under section 1774(a); (c) provide an exemption from the new qualification standards for those SAA personnel who were performing their duties under subchapter I satisfactorily on the date of enactment and who continue to perform satisfactorily; and (d) authorize an SAA, in developing and applying its qualifications and performance standards, to take into consideration the State's merit system requirements and other local requirements and conditions.

For the purposes of implementing this new section, a free-standing provision would (a) require the Administrator to publish the prototype standards within 120 days after the enactment date; (b) require each SAA to submit to the Administrator, within one year after the Administrator has prescribed the prototype standards, a copy of the standards to be implemented by the SAA; and (c) authorize the Administrator, within 30 days of receiving an SAA's standards, to provide comments to the SAA, especially with regard to whether the standards are consistent with the prototype standards developed by the Administrator.

The compromise agreement would also amend section 1771(b)(1) of title 38—which provides that, if a State fails or declines to create or designate a SAA, the provisions of chapter 36, relating to the administration of educational benefits, which refer to the SAA would, with respect to that State, be deemed to refer to the administrator—so as to provide for course approvals by the VA if a State does not enter into an agreement under section 1774(a).

The compromise agreement would amend section 1782 of title 38, which prohibits Federal agencies and officers from exercising any supervision or control over SAAs, State educational agencies, or non-Federal educational institutions, to provide an exception for VA activities under new section 1780A, which, as discussed above would require the VA to conduct annual evaluations of SAAs, to take the results of the annual evaluations ito account when negotiating the terms and conditions of contracts with SAAs, and to supervise functionally the provision of course-approval services.

Finally, with respect to payments to the SAA's for administrative expenses, since the amounts of those payments are prescribed by a statutory formula (in section 1774(b)), such expenses would not be included in the SAA's certifications but would be included separate from the certification in the VA reports.

In the implementation of these provisions, the Committees expect (a) the VA, before entering into an agreement with an SAA, to satisfy itself that the SAA's operating procedures are carried out in accordance with all statutory requirements necessary for its actions to be legally enforceable; and (b) each SAA to develop position descriptions for its personnel reflecting the statutory duties set forth in sections 1775 through 1779 of title 38.

With respect to the proposed requirement in new section 1780A requiring the Administrator to supervise functionally the provision of course-approval services, it is not the intent of the committees to impose a dual management structure on the SAAs. Rather, the Committees intend the functional supervision by the Administrator to be distinct from "line supervision" by the heads of the SAAs. Fuctional supervision by the Administrator would entail—but not be limited to—(a) providing technical assistance to SAA personnel with respect to carrying out their course-approved duties; (b) sponsoring, to the extent practicable and jointly with SAA's, initial and recurring training for SAA employees; (c) checking for compliance with VA regulations regarding the provision of services under subchapter I; (d) assisting in the development of standards for qualifications and performance of SAA personnel; and (e) bringing matters which require corrective action to the attention of SAA personnel who have authority over policy, procedures, and staff. Functional supervsion does not authorize the Administrator to hire, fire, discipline, or issue directives to an SAA employee. Nor does it authorize the Administrator to make regulations, change procedure, or establish internal policies for the state agency.

The Committees expect the VA to monitor the SAAs' performance of their responsibilities under their contracts and, in the case of a default of an SAA under its contract, to take appropriate action to enforce the Federal Government's rights under the contract consistent with the contract provisions required by the Federal Acquisition Regulations relating to defaults (sections 49.503, "Termination for convenience of the Government and default", and 52.249-6, "Termination (Cost-Reimbursement)", of title 48 of the Code of Federal Regulations).

The committees intend that the contracts between the VA and the SAAs reflect the requirements of new section 1774A.

COMMISSION ON VETERANS' EDUCATION POLICY

House bill: The House bill (section 7 of H.R. 1504) would add the Assistant Secretary of Defense for Force Management and Personnel as an ex officio non-voting member of the Veterans' Education Policy Commission established under Public Law 99-576.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 15) contains this provision.

Senate bill: The Senate bill (section 13) would provide that the provisions and amendments made by the measure would take effect on october 1, 1987.

House bill: No provision.

Compromise agreement: The compromise agreement (section 16) would provide that (a) sections 2 and 3 would take effect upon enactment except that the title 38 amendments relating to funding for LVER's (proposed new subsection (b)(5) of section 2002A, revised subsection (a) of section 2003A, and revised subsection (a) of section 2004) and for SAAs (proposed new Paragraphs (2-4) of section 1774(a)) would take effect for all of fiscal year 1988 and subsequent fiscal years; (b) sections 4 through 11—the sections on the performance of DVOP's and LVER's (section 4), waiver of the residency requirement for Directors and Assistant Directors for Veterans' Employment and training (section 5), the sharing of information regarding potential employers (section 6), responsibilities of personnel (section 7), the National Veterans' Employment and Training Services Instititue (section 8), the study of unemployment among certain disabled veterans and Vietnam theater veterans (section 9), the Secretary's Committee on Veterans' Employment (section 10), and the VJTA amendments (section 11)—would take effect 60 days after enactment; and (c) sections 12 through 15—the sections on the training and employment study and report (section 12), State approving agencies (section 13), the Commission on Veterans' Education Policy (section 14), and revisions of nomenclature (section 15)—would take effect on the date of enactment.

□ 1405

Mr. MONTGOMERY. Mr. Speaker, I want to commend again the chairman of the subcommittee, the gentleman from Mississippi [Mr. DOWDY] for the work he has done on this education and training bill.

Mr. Speaker, I ask unanimous consent that half of my allotted time, 30 minutes, be given to the gentleman from New Jersey [Mr. SMITH].

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

There was no objection.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first of all, I want to begin by commending my good friend, the gentleman from Mississippi [Mr. DOWDY], and the chairman of the full committee, the gentleman from Mississippi [Mr. MONTGOMERY] for bringing this bill to the floor. It is a good bill and it is a bill that will hopefully have unanimous agreement.

Mr. Speaker, as the ranking minority member of the Vetreans' Affairs Subcommittee on Education, Training, and Employment, I rise in strong support of S. 999, as amended, the Veterans' Employment, Training, and Counseling Amendments of 1988.

The compromise measure under consideration today, S. 999, contains many provisions similar to those offered in the two related House bills we overwhelmingly passed last year. S. 999 will make significant improvements and adjustments in the Veterans Job Training Act [VJTA] programs and in veterans' job service programs administered by the Department of Labor.

I am pleased that the conference committee retained in the package an amendment I attached to the related House bill. Currently, a 2-year State residency requirement must be fulfilled before an individual is eligible for appointment as State director or assistant State director of veterans' employment and training. The provision in this legislation would enable the Secretary to appoint any qualified veteran as director or assistant director if there is no qualified veteran available in that State who meets the residency requirement. This will help to ensure that the best qualified veteran can be State director and assistance State director for veterans' employment and training.

Mr. Speaker, the Veterans Job Training Act [VJTA] can be credited with securing the employment of 58,000 Korean and Vietnam veterans—extension of this program is essential to assist the 340,000 Vietnam veterans currently unemployed who could be working if given the needed assistance. For the VJTA, S. 999 authorizes $60 million for each fiscal years 1988 and 1989 and provides for the extension of VJTA application and enrollment deadlines to enable more veterans to participate in the program. Though I am somewhat disappointed that a provision I added to the House bill to extend the deadlines for yet an additional year was modified in conference, I support the overall bill and the benefits it provides for veterans.

S. 999 also proposes significant improvements in the job service programs which offer priority treatment for veterans. Confusion regarding specific job duties and responsibilities of workers has been interfering with the successful delivery of benefits to veterans. This legislation will provide for better coordination of veteran employment programs, ensure that an adequate number of trained personnel are available to carry out the objectives of

the programs, and provide for the means to monitor and evaluate the program's effectiveness.

Mr. Speaker, I would like to commend the chairman and vice chairman of the Veterans' Affairs Committee, Mr. MONTGOMERY and Mr. SOLOMON, for their strong leadership in bringing this legislation to the floor. I would also like to take this opportunity to thank the chairman of our subcommittee, Mr. DOWDY for his leadership as we crafted the House legislation. I strongly support S. 999, I believe it is very necessary, and urge my colleagues to vote in favor of this measure.

Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in strong support of S. 999, a bill to improve veterans' employment and training programs administered by the Department of Labor.

I wish to thank Mr. MONTGOMERY, the esteemed chairman of the Veterans' Affairs Committee and Mr. SOLOMON for their fine work on this measure, as well as Congressman WAYNE DOWDY and CHRIS SMITH, the chairman and ranking member of the Subcommittee on Education, Training and Employment.

Mr. Speaker, this legislation authorizes $60 million for fiscal year 1988 and $60 million for fiscal year 1989 for the Veterans' Job Training Act.

Mr. Speaker, I would also emphasize the provisions of this bill which strengthen the veterans preference laws of title 38. These laws are the very cornerstone of Federal employment for America's veterans. Veterans' preference is a matter of law and the Veterans' Affairs Committee fully expects them to be observed and enforced. S. 999 requires the State directors for veterans employment and training to monitor the observance of veterans' preference as part of the overall effort to secure the greatest possible employment opportunities for America's veterans.

Again, I believe this legislation will assist our Nation's veterans in obtaining the education, training, and employment which they need and which they have earned in service to our country. I urge my colleagues to support the bill.

Mr. MONTGOMERY. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. ROWLAND], a member of our Veterans' Affairs Committee.

Mr. ROWLAND of Georgia. Mr. Speaker, I want to commend the chairman of the full committee and the chairman of the subcommittee and the ranking minority member on the other side of the aisle for this piece of legislation.

I think it is something we need very much, Mr. Chairman, and I wholeheartedly endorse this. All too often we do not take care of the veterans in our country as I believe we should. After all, I think that the benefits that we provide them is part of the cost of the conflict that they involved themselves in with protecting our country, so I wholeheartedly support this legislation.

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

Mr. Speaker, Chairman DOWDY has outlined the provisions of the proposed House amendments and I shall not dwell on them. However, there is one provision I want to say a few words about. Section 14 of the proposed amendments reflects a compromise reached with the other body on a provision contained in the House-passed bill—H.R. 1504. It would change the way the VA funds the State approving agencies [SAA] for the work they do. During the past several years, funds to the SAA's have been reduced substantially. Because of this reduction in funding some SAA's are woefully understaffed. Some States have had to fund more than their fair share in order to keep from going under. This cannot continue and we believe this bill will provide some much-needed relief for SAA's.

I want to thank our very able subcommittee chairman, Mr. DOWDY, and the ranking minority member of the subcommittee, Mr. SMITH of New Jersey, for their leadership in working together to help resolve the many differences between the House- and Senate-passed bills. This is a major rewrite of a number of veterans' job and job-training, counseling and placement service programs, and employment service programs administered through the Veterans' Employment and Training Service [VETS] within the Department of Labor. Those veterans' services are provided by the Assistant Secretary of Labor for Veterans' Employment and Training. This reform measure is designed to maximize employment opportunities for veterans, with priority given to those who have service-connected disabilities.

Everyone realizes that given the current deficit situation, Administrators are being asked to do more with less. Competition for dollars to fund various Federal programs is such that we must constantly strive to find ways to streamline programs so that Administrators can provide services to veterans in an efficient and timely manner. In addition, we want to make certain that employers comply with the law, yet, not be unduly burdened by Federal redtape. I believe this bill goes a long way in accomplishing these goals and I want to again commend the gentleman from Mississippi [Mr. DOWDY] for the creative way he has shaped this legislation.

I'm always grateful to the distinguished gentleman from New York [Mr. SOLOMON], the ranking minority member of the full committee, for his cooperation and leadership. This legislation first passed the House last June and all of us are anxious to get a bill to the President without further delay.

It should be noted, Mr. Speaker, that all of our national service organizations support this bill. The enactment of this legislation will have a positive impact on the ability of our veterans to enhance their position in the job market. I urge my colleagues to adopt the proposed House amendments to S. 999.

Mr. SOLOMON. Mr. Speaker, as ranking member of the Veterans' Affairs Committee, I rise in strong support of S. 999, as amended, which would improve veterans' employment, counseling and job training services and programs.

This is another of the veterans bills carried over from the 1st session of the 100th Congress, and hopefully its quality is directly proportional to the length of its gestation. It has been increasingly obvious that some areas of the veterans employment and training programs administered by the Department of Labor needed strengthening simply because job descriptions and responsibilities were not clearly spelled out in chapter 41 of title 38. With this legislation, the remedy is at hand.

The Assistant Secretary of Labor for Veterans' Training and Employment, Donald Shasteen, who is the program official with responsibility for many of the areas covered by S. 999, as amended, has contributed many helpful suggestions and criticisms to it. On the whole, I believe the administration supports it.

Several of the bill's major provisions have been summarized by Mr. DOWDY, and I would like to amplify three of them.

First, Mr. Speaker, the role of the Assistant Secretary [ASVET] himself would be clarified and strengthened by this bill. The ASVET would clearly be given the primary responsibility for veterans' employment and training programs, and would have the express responsibility of ensuring that veterans are fully served under all of the Department of Labor's Employment and training programs.

Second, the National Veterans' Employment and Training Services Institute was administratively established by the Department of Labor several years ago to do what its name implies—give practical guidance and information to the people who actually deliver veterans' employment benefits in the State offices. It has been an unqualified success, so much so that the committee believes it deserves a statutory mandate. In this way, the Institute would have some measure of protection from the shifting sands of budgetary priorities in years to come.

Third, the legislation would authorize $60 million in fiscal years 1988 and 1989 for the Veterans' Job Training Act [VJTA]. I am proud that my colleague and good friend, MARVIN LEATH, and I coauthored the original legisla-

tion for VJTA. Tens of thousands of veterans who were among the long-term unemployed have become taxpayers instead of tax consumers as the direct result of their training for jobs with career potential under the program, which, by the way, is highly cost-effective.

But despite VJTA's promise and results, it has suffered from start and stop funding. Thus, it has not yet achieved its full potential. With funding through fiscal 1989, VJTA would continue its good work for veterans who really need help.

Mr. Speaker, S. 999, as amended, owes much to the leadership of the distinguished chairman of the Veterans' Affairs Committee, SONNY MONTGOMERY, and I commend him. Also, WAYNE DOWDY, chairman of the Subcommittee on Education, Training and Employment, and Mr. CHRIS SMITH, the subcommittee's ranking member, have made invaluable contributions to the bill and I commend them as well.

Mr. Speaker, the committee believes that S. 999, as amended, will be acceptable to the other body without further amendments, and I encourage its support by all House Members.

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

Mr. MONTGOMERY. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the Senate bill.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the Senate bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SMITH of New Jersey. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 417, nays 0, not voting 14, as follows:

[Roll No. 72]

YEAS—417

Ackerman	Barton	Bosco
Akaka	Bateman	Boucher
Alexander	Bates	Boulter
Anderson	Beilenson	Boxer
Andrews	Bennett	Brennan
Annunzio	Bentley	Brooks
Anthony	Bereuter	Broomfield
Applegate	Berman	Brown (CA)
Archer	Bevill	Brown (CO)
Armey	Bilbray	Bruce
Aspin	Bilirakis	Bryant
Atkins	Bliley	Buechner
AuCoin	Boehlert	Bunning
Badham	Boggs	Burton
Baker	Boland	Bustamante
Ballenger	Bonior	Byron
Barnard	Bonker	Callahan
Bartlett	Borski	Campbell
Cardin	Gregg	McCurdy
Carper	Gunderson	McDade
Carr	Hall (OH)	McEwen
Chandler	Hall (TX)	McGrath
Chapman	Hamilton	McHugh
Chappell	Hammerschmidt	McMillan (NC)
Cheney	Hansen	McMillen (MD)
Clarke	Harris	Meyers
Clay	Hastert	Mfume
Clement	Hatcher	Michel
Clinger	Hawkins	Miller (CA)
Coats	Hayes (IL)	Miller (OH)
Coble	Hayes (LA)	Miller (WA)
Coelho	Hefley	Mineta
Coleman (MO)	Hefner	Moakley
Coleman (TX)	Henry	Molinari
Collins	Herger	Mollohan
Combest	Hertel	Montgomery
Conte	Hiler	Moody
Conyers	Hochbrueckner	Moorhead
Cooper	Holloway	Morella
Coughlin	Hopkins	Morrison (CT)
Courter	Horton	Morrison (WA)
Coyne	Houghton	Murphy
Craig	Hoyer	Murtha
Crane	Hubbard	Myers
Crockett	Huckaby	Nagle
Dannemeyer	Hughes	Natcher
Darden	Hunter	Neal
Daub	Hutto	Nelson
Davis (IL)	Hyde	Nichols
Davis (MI)	Inhofe	Nielson
de la Garza	Ireland	Nowak
DeFazio	Jacobs	Oakar
DeLay	Jeffords	Oberstar
Dellums	Jenkins	Obey
Derrick	Johnson (CT)	Olin
DeWine	Johnson (SD)	Ortiz
Dickinson	Jones (NC)	Owens (NY)
Dicks	Jones (TN)	Owens (UT)
Dingell	Jontz	Oxley
DioGuardi	Kanjorski	Packard
Dixon	Kaptur	Panetta
Donnelly	Kasich	Parris
Dorgan (ND)	Kastenmeier	Pashayan
Dornan (CA)	Kemp	Patterson
Dowdy	Kennedy	Pease
Downey	Kennelly	Pelosi
Dreier	Kildee	Penny
Durbin	Kleczka	Pepper
Dwyer	Kolbe	Perkins
Dymally	Kolter	Petri
Dyson	Konnyu	Pickett
Early	Kostmayer	Pickle
Eckart	Kyl	Porter
Edwards (CA)	LaFalce	Price
Edwards (OK)	Lagomarsino	Pursell
English	Lancaster	Quillen
Erdreich	Lantos	Rangel
Espy	Leach (IA)	Ravenel
Evans	Leath (TX)	Regula
Fascell	Lehman (CA)	Rhodes
Fawell	Lehman (FL)	Richardson
Fazio	Leland	Ridge
Feighan	Lent	Rinaldo
Fields	Levin (MI)	Ritter
Fish	Levine (CA)	Roberts
Flake	Lewis (CA)	Robinson
Flippo	Lewis (FL)	Rodino
Florio	Lewis (GA)	Roe
Foglietta	Lightfoot	Rogers
Foley	Lipinski	Rose
Ford (MI)	Livingston	Rostenkowski
Ford (TN)	Lloyd	Roth
Frank	Lott	Roukema
Frenzel	Lowery (CA)	Rowland (CT)
Frost	Lowry (WA)	Rowland (GA)
Gallegly	Lujan	Roybal
Gallo	Luken, Thomas	Russo
Garcia	Lukens, Donald	Sabo
Gaydos	Lungren	Saiki
Gejdenson	MacKay	Savage
Gekas	Madigan	Sawyer
Gephardt	Manton	Saxton
Gilman	Markey	Schaefer
Gingrich	Marlenee	Scheuer
Glickman	Martin (IL)	Schneider
Gonzalez	Martin (NY)	Schroeder
Goodling	Martinez	Schuette
Gordon	Matsui	Schulze
Gradison	Mavroules	Schumer
Grandy	Mazzoli	Sensenbrenner
Grant	McCandless	Sharp
Gray (IL)	McCloskey	Shaw
Gray (PA)	McCollum	Shays
Green	McCrery	Shumway
Shuster	Staggers	Valentine
Sikorski	Stallings	Vander Jagt
Sisisky	Stangeland	Vento
Skaggs	Stark	Visclosky
Skeen	Stenholm	Volkmer
Skelton	Stratton	Vucanovich
Slattery	Studds	Walgren
Slaughter (NY)	Stump	Walker
Slaughter (VA)	Sundquist	Watkins
Smith (FL)	Sweeney	Waxman
Smith (IA)	Swift	Weber
Smith (NE)	Swindall	Weiss
Smith (NJ)	Synar	Weldon
Smith (TX)	Tallon	Wheat
Smith, Denny (OR)	Tauke	Whittaker
	Tauzin	Whitten
Smith, Robert (NH)	Taylor	Williams
	Thomas (CA)	Wilson
Smith, Robert (OR)	Thomas (GA)	Wolf
	Torres	Wolpe
Snowe	Torricelli	Wyden
Solarz	Towns	Wylie
Solomon	Traficant	Yates
Spence	Traxler	Yatron
Spratt	Udall	Young (AK)
St Germain	Upton	Young (FL)

NAY—0

NOT VOTING—14

Biaggi	Latta	Ray
Duncan	Mack	Stokes
Emerson	Mica	Wise
Gibbons	Mrazek	Wortley
Guarini	Rahall	

□ 1431

So the Senate bill was passed.

The result of the vote was announced as above recorded.

The title of the Senate bill was amended so as to read: "An Act to amend title 38, United States Code, and the Veterans' Job Training Act to improve veterans' employment, counseling, and job-training services and programs; and for other purposes."

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON COAST GUARD AND NAVIGATION OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT DURING THE 5-MINUTE RULE ON THURSDAY, APRIL 28, 1988

Mr. HUTTO. Mr. Speaker, I ask unanimous consent that the Subcommittee on Coast Guard and Navigation of the Committee on Merchant Marine and Fisheries be permitted to sit during the 5-minute rule on Thursday, April 28, 1988.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Florida?

There was no objection.

CONFERENCE REPORT ON H.R. 2616, VETERANS' BENEFITS AND SERVICES ACT OF 1988

Mr. MONTGOMERY. Mr. Speaker, I call up the conference report on the bill (H.R. 2616) to amend title 38, United States Code, to improve health-care programs of the Veterans' Administration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of April 21, 1988.)

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 30 minutes and the gentleman from New York [Mr. SOLOMON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

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

Mr. Speaker, I want to apologize to the gentleman from New York [Mr. SOLOMON], the ranking minority member, who has been working with us. We did have a problem with scheduling, and we had to call up S. 999 under unanimous consent and the gentleman from New York was not here. I greatly respect the gentleman from New York and I appreciate his understanding. We did have some problems. We had to have legislation on the floor and we proceeded. I appreciate the gentleman letting us bring up this legislation.

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

Mr. MONTGOMERY. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I want to thank the gentleman from Mississippi for his remarks. There are no hard feelings. We had a Committee on Foreign Affairs markup going on now and it was impossible to run to the floor, but I appreciate the consideration of the gentleman from Mississippi, and we can get on with this bill.

Mr. MONTGOMERY. Mr. Speaker, I am pleased to report that the conference between the House and Senate on H.R. 2616 was completed successfully. The conference agreement before us today reflects a reasonable compromise between the House and Senate. The formal conference, the preconference meetings, and various informal sessions involved many hours of work on the part of our members and staff.

I want to acknowledge the leadership and good work of the House conferees: JERRY SOLOMON, the ranking minority member of the Committee on Veterans' Affairs; DOUG APPLEGATE chairman of our Compensation, Pension and Insurance Subcommittee; MARCY KAPTUR, chairwoman of our Subcommittee on Housing and Memorial Affairs; Dr. J. ROY ROWLAND, a member of our Subcommittee on Hospitals and Health Care; and JOHN PAUL HAMMERSCHMIDT, the ranking minority member of the subcommittee.

I also want to thank the Senate conferees, ALAN CRANSTON, chairman of the Senate Veterans' Affairs Committee; FRANK MURKOWSKI, the ranking minority member; and DENNIS DECONCINI and ALAN SIMPSON, for their leadership and cooperation in working to resolve our differences.

The conferees appreciate the many long hours spent on the agreement by the staffs of both committees. And, finally, I want to acknowledge the work of Bob Cover and Joe Womack of the Legislative Counsel's Office, who did most of the basic drafting of the conference agreement.

Mr. Speaker, on March 29, 1988, the House passed H.R. 2616, with several amendments. The House amendments contained numerous changes in current law relating to health care, compensation, insurance, beneficiary travel, housing, and other benefits and services for our Nation's veterans. There were some 80 or 90 program changes in the bill passed by the House that would enhance the lives of so many veterans and their families. I am pleased to report to you that most of the changes proposed by the House were accepted by the other body. Therefore, I will not take the time today to discuss them since my explanation of the provisions can be found in the CONGRESSIONAL RECORD of March 29, when the measure was discussed in some detail. Today I will take just a few minutes to review five major provisions that were resolved in the formal conference.

Mr. Speaker, the original House bill would revise eligibility for outpatient care delivered in Veterans' Administration medical facilities. The House provision was accepted by the Senate in conference with one small modification.

Under current law, outpatient care is provided on a discretionary basis. The original House bill would mandate care for certain categories of veterans.

Under the conference agreement, the VA would be required to furnish outpatient care to veterans for their service-connected disabilities and to veterans rated 50 percent or more for any disability. In addition, veterans with a disability rating of 30 or 40 percent, and veterans whose incomes are below the pension aid and attendence rate, would be entitled to needed outpatient care in preparation for, or as followup to, VA hospital care, or as needed to obviate the need for hospital care.

Other veterans would receive outpatient care on a discretionary basis.

A second major provision resolved in conference, Mr. Speaker, would require the VA to pay beneficiary travel to certain veterans for care or treatment for which they are eligible. They would include:

First. Veterans receiving care for a service-connected disability;

Second. Veterans rated 30 percent or more;

Third. Veterans eligible for VA pension benefits, or whose income is below the maximum pension level;

Fourth. Veterans with serious disabilities that require special transportation or those who are unable to defray the cost of transportation; and

Fifth. Veterans scheduled for compensation and pension medical examinations.

The conference agreement would provide for a deductible of $3 per one-way trip and would establish a cap of $18 per month for veterans who must make several trips a month to VA hospitals.

The third provision, Mr. Speaker, would prohibit the VA from declaring as excess any real property unless the Congress has been properly notified and certain other requirements are met.

Land that is declared excess would be sold at fair market value and funds resulting from such sale would be deposited into a revolving fund to be used for the construction of VA nursing care units.

The fourth provision would authorize the VA Administrator to raise the State veterans' homes per diem payments for the care of veterans at an annual rate not to exceed the rise in the cost of VA hospital care.

The fifth provision would authorize the VA to accept a transfer of the Arizona State Cemetery making it part of the National Cemetery System. The House conferees were very reluctant to agree with this provision. They did so only upon the firm assurance by the Arizona congressional delegation that any legislative package making disposition of the Indian school land in Phoenix, AZ, will incorporate 11.5 acres for the expansion of the VA hospital in Phoenix, and 4.5 acres for the construction of a State nursing home adjacent to the 11.5-acre tract for the hospital expansion.

I ask unanimous consent that a copy of the letter from the Arizona delegation be inserted at this point in the RECORD, Mr. Speaker.

U.S. SENATE,
Washington, DC, April 14, 1988.

Hon. G.V. (SONNY) MONTGOMERY,
Chairman, House Committee on Veterans' Affairs, House of Representatives, Washington, DC.

DEAR SONNY: The Arizona delegation is committed to ensuring that any legislative package making disposition of the Indian School land in Phoenix, Arizona will incorporate 11.5 acres for the Veterans' Administration (VA) for the expansion of the Phoenix VA Medical Center and 4.5 acres for conveyance to the State of Arizona for a State Veterans' Home under the following terms and conditions:

1. 11.5 acres of the Indian School land will be transferred to the VA at no cost for the express purpose of expanding the Phoenix VA Medical Center. The 11.5 acres will be contiguous to the land on which the Phoenix VA Medical Center at Seventh Street and Indian School Road is situated.

2. The VA will be directed to cooperate with the City of Phoenix in the planning and development of its 11.5 acre parcel. However, the VA will have final determination over the location and configuration of the parcel. Six months after enactment of legislation making disposition of the Indian School land, and every six months thereafter until the Phoenix VA Medical Center expansion has been completed, the VA will be required to submit a report on the cooperative planning which has occurred between the City and the VA to the House Interior and Senate Energy and Natural Resources Committees and the House and Senate Committees on Veterans' Affairs.

3. 4.5 acres of the Indian School land, adjacent to the 11.5 acre VA parcel, will be transferred to the VA at no cost for conveyance to the State of Arizona for the construction and maintenance of a State Veterans' Home, provided the State submits proper application to the VA under the State Veterans' Home Program (38 U.S.C. 5035), and has appropriated sufficient funds to meet the federal/state matching grant program requirements.

4. If the State does not make proper application and appropriate the requisite amount of funds necessary under the State Veterans' Home program within three years after enactment of the legislative package making disposition of the Indian School land, the 4.5 acres will revert to the United States.

In light of this commitment, the Arizona delegation respectfully requests the House to accept the provision in Section 406 of the Senate Amendment to H.R. 2616, with perfecting amendments, to establish a national cemetery at the current site of the Arizona Veterans' Memorial Cemetery.

Sincerely,

MO UDALL.
JOHN MCCAIN.
JON L. KYL.
JOHN RHODES.
DENNIS DECONCINI.
BOB STUMP.
JIM KOLBE.

The provisions of section 314 of the House amendments pertaining to the payment of compensation for veterans who were exposed to radiation, which passed the House on March 29, are not included in this conference agreement. The House conferees agreed with a request of the Senate conferees that these provisions be considered as a separate measure—H.R. 1811, as amended. The Senate passed the bill Monday and we expect to bring it up in the House early next week.

Again, Mr. Speaker, other than the changes that I have just explained, the remainder of the conference agreement is exactly as I explained in my statement before the House on March 29 when we passed our amendments to the Senate amendments to H.R. 2616. I think the conference achieved fair resolutions of many difficult issues and I urge the adoption of the conference agreement.

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

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

Mr. Speaker, I rise in support of the conference report on H.R. 2216. This is a comprehensive bill containing over 70 sections. It is concerned with a number of bills already passed by the House of Representatives and then placed into one bill by the other body.

Mr. Speaker, the provisions of this bill are designed to strengthen the Veterans' Administration Medical Program in terms of recruitment, treatment, care outside institutional settings, and administration.

The bill also provides for an increase in specially adapted housing and automobile assistance allowances for certain seriously disabled veterans. The bill improves limited benefits for exprisoners of war, and has technical amendments concerning the GI bill and GI insurance. It increases per diem rates for care in State homes to take into account increases in the cost of living.

Mr. Speaker, each provision of the bill before us has been the subject of careful study by both the House and the Senate. Many of its provisions are the result of fund allowance compromises between the two bodies. I urge my colleagues to support it.

Finally, Mr. Speaker, I congratulate our distinguished chairman, SONNY MONTGOMERY, and all my colleagues on the House Veterans' Affairs Committee for their work on this important legislation.

I know that the Republican and Democratic staffs have worked many long hours in negotiating with the Senate staffs and we thank them for a job well done. We hope we can pass this bill and get on with other business.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. HAMMERSCHMIDT], former ranking Republican member on the Committee on Veterans' Affairs, and the ranking Republican member on the Subcommittee on Hospitals and Health Care.

Mr. HAMMERSCHMIDT. Mr. Speaker, as ranking member of the subcommittee on hospitals and health care, I rise in strong support of the conference report on H.R. 2616, as amended. This is essentially an omnibus veterans bill which carried over much work unfinished during the 1st session of the 100th Congress.

I am most pleased to see our efforts culminating in legislation which is of major benefit to veterans, including the area of health care.

H.R. 2616, as amended, would reform eligibility for Veterans' Administration outpatient services and for the first time would assure that many veterans will definitely receive outpatient care from the VA.

The legislation also significantly reforms eligibility for domiciliary care at the time when it is especially important to help homeless veterans to be reintegrated into society. Beneficiary travel benefits would be restored in part for many veterans as well, after an almost total cutoff of those benefits a year ago.

Among the pilot programs set up would be one for adult day health care, a promising concept for helping elderly and chronically ill veterans.

As a part of the fight against AIDS, the legislation would make special provisions for the confidentiality of medical records of AIDS patients.

We obviously want to encourage victims of AIDS to seek treatment, and when they know that their medical records will be properly handled, they are more likely to come to the VA, which is a leader in AIDS treatment.

There are too many provisions in H.R. 2616, as amended, on health care, compensation, education, insurance, memorial affairs, procurement, and on and on, to address them all, but they all are deserving of our support.

The conference report is on the floor today in its very favorable form because of the steady and enduring leadership of SONNY MONTGOMERY and JERRY SOLOMON, our committee chairman and ranking member. Their mark is large upon the conference report and I am proud to join them in urging its approval by this body.

Miss SCHNEIDER. Mr. Speaker, I rise today in support of the conference report for H.R. 2616, the Veterans' Benefits and Services Act of 1988. I would like to commend the Veterans' Affairs Committee for their diligence in addressing and resolving some of the challenges facing America's veterans. This bill includes some very responsive provisions, especially in the area of recruitment and retention of health care professionals at Veterans' Administration medical facilities.

The shortage of health care professionals has reached crisis proportions across the country, but the shortage is particularly acute in my own State of Rhode Island. In fact, at the Veterans' Administration hospital in Providence two surgical wards have been closed due to lack of personnel and another may close if the attrition rate continues. One unit has had 200 hours of scheduled overtime in a 2-week period. The primary impediment to retaining nurses is the egregiously low pay offered to RN's and LPN's. Although the Providence VA hospital administration has applied for and received three pay rate increases in the past 6 months, the pay rates still lag behind private sector salaries, the cost of living in Providence, and the Boston area VA salaries. Pharmacists are also in peak demand and low supply.

Although the dearth of health care professionals includes pharmacists, physical therapists, laboratory technicians, and medical records clerks, the most pressing shortage continues to be in the field of nursing. A recent study by the American Hospital Association found that 40 percent of all registered nurses have left the field to pursue other careers. Enrollment in nursing schools has declined 10 percent per year for the last 14 years, and women still outnumber men 3 to 1 in these schools.

The problem at hand is endemic to the system, but I am pleased to say that the Veterans' bill we have passed today goes a long way toward resolving some of these problems expediently and directly. The bill authorizes bonuses of up to $16,000 for a 4-year period to recruit and retain nurses at VA medical facilities with critical nurse shortages. In addition, it authorizes premium pay for Saturday shifts. Improved education and scholarship programs for nurse training and on-site child care centers for VA employees will certainly help attract and retain valued personnel.

I have offered to help the gentleman from Mississippi [Mr. MONTGOMERY] in any way I can as he continues to confront the nursing shortage which so negatively affects our Nation's veterans. I think it would behoove all of us to do what we can to face this national challenge squarely.

Mr. Smith of New Jersey. Mr. Speaker, I rise in strong support of H.R. 2616, the Veterans' Benefits and Services Act of 1988.

H.R. 2616, as amended, is a comprehensive package intended to remedy many problems within the VA health care delivery system. Many of the problems facing VA health care providers today are representative of problems plaguing the entire health care system in our country. Provisions in HR 2616 are responsive to these problems and as a member of the Veterans' Affairs Committee, I am proud to support the bill.

I would like to focus on the portion of H.R. 2616 that addresses the current nursing shortage in VA hospitals. Provisions authorize bonus pay of $2,000, $3,000, or $4,000 yearly for registered nurses who agree to commit their services for 2, 3, or 4 years respectively. It provides tuition reimbursement to full time employees seeking a degree in nursing, expands premium pay to nurses for the entire weekend, and requires that the chief of nursing participate in each policymaking committee at the facility.

These measures will make VA nursing a more attractive profession and help to not only recruit more nurses to the facilities but also to keep them there once they are hired and trained. Continuity of care will be improved and our Nation's veterans will be the ones to ultimately benefit.

Additionally, one of the most popular provisions in this package is a travel beneficiary benefit, originally authorized by the vice chairman of the Veterans' Affairs Committee, Mr. SOLOMON. In its final version, the benefit will provide reimbursment for certain veterans traveling to and from VA medical facilities for medical treatment. At one time, the travel reimbusement policies were left to the discretion of the VA. This provision, however, will mandate reimbursement and thereby ensure the continuance of the program under reasonable and fair guidelines.

Mr. Speaker, H.R. 2616 is a good bill largely due to the efforts of Veterans' Affairs Committee chairman and vice chairman, Mr. MONTGOMERY and Mr. SOLOMON. I commend them for their hard work in this matter and urge the support of my colleagues to approve H.R. 2616.

□ 1435

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

Mr. MONTGOMERY. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

Mr. SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LUNGREN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic votes, and there were—yeas 416, nays 0, not voting 15, as follows:

[Roll No. 73]

YEAS—416

Ackerman	Chandler	Espy
Akaka	Chapman	Evans
Alexander	Chappell	Fascell
Anderson	Cheney	Fawell
Andrews	Clarke	Fazio
Annunzio	Clay	Feighan
Anthony	Clement	Fields
Applegate	Clinger	Fish
Archer	Coats	Flake
Armey	Coble	Flippo
Aspin	Coelho	Florio
Atkins	Coleman (MO)	Foglietta
AuCoin	Coleman (TX)	Foley
Baker	Collins	Ford (MI)
Ballenger	Combest	Ford (TN)
Barnard	Conte	Frank
Bartlett	Conyers	Frenzel
Barton	Cooper	Frost
Bateman	Coughlin	Gallegly
Bates	Courter	Gallo
Beilenson	Coyne	Garcia
Bennett	Craig	Gaydos
Bentley	Crane	Gejdenson
Bereuter	Crockett	Gekas
Berman	Dannemeyer	Gephardt
Bevill	Darden	Gibbons
Bilbray	Daub	Gilman
Bilirakis	Davis (IL)	Gingrich
Bliley	Davis (MI)	Glickman
Boehlert	de la Garza	Gonzalez
Boggs	DeFazio	Goodling
Boland	DeLay	Gordon
Bonior	Dellums	Gradison
Bonker	Derrick	Grandy
Borski	DeWine	Grant
Bosco	Dickinson	Gray (IL)
Boucher	Dicks	Gray (PA)
Boulter	Dingell	Green
Boxer	DioGuardi	Gregg
Brennan	Dixon	Gunderson
Brooks	Donnelly	Hall (TX)
Broomfield	Dorgan (ND)	Hamilton
Brown (CA)	Dornan (CA)	Hammerschmidt
Brown (CO)	Dowdy	Hansen
Bruce	Downey	Harris
Bryant	Dreier	Hastert
Buechner	Durbin	Hatcher
Bunning	Dwyer	Hawkins
Burton	Dymally	Hayes (IL)
Bustamante	Dyson	Hayes (LA)
Byron	Early	Hefley
Callahan	Eckart	Hefner
Campbell	Edwards (CA)	Henry
Cardin	Edwards (OK)	Herger
Carper	English	Hertel
Carr	Erdreich	Hiler
Hochbrueckner	Mfume	Sensenbrenner
Holloway	Michel	Sharp
Hopkins	Miller (CA)	Shaw
Horton	Miller (OH)	Shays
Houghton	Miller (WA)	Shumway
Hoyer	Mineta	Shuster
Hubbard	Moakley	Sikorski
Huckaby	Molinari	Sisisky
Hughes	Mollohan	Skaggs
Hunter	Montgomery	Skeen
Hutto	Moody	Skelton
Hyde	Moorhead	Slattery
Inhofe	Morella	Slaughter (NY)
Ireland	Morrison (CT)	Slaughter (VA)
Jacobs	Morrison (WA)	Smith (IA)
Jeffords	Mrazek	Smith (NE)
Jenkins	Murphy	Smith (NJ)
Johnson (CT)	Murtha	Smith (TX)
Johnson (SD)	Myers	Smith, Denny (OR)
Jones (NC)	Nagle	Smith, Robert (NH)
Jones (TN)	Natcher	Smith, Robert (OR)
Jontz	Neal	Snowe
Kanjorski	Nelson	Solarz
Kaptur	Nichols	Solomon
Kasich	Nielson	Spence
Kastenmeier	Nowak	Spratt
Kennedy	Oakar	St Germain
Kennelly	Oberstar	Staggers
Kildee	Obey	Stallings
Kleczka	Olin	Stangeland
Kolbe	Ortiz	Stark
Kolter	Owens (NY)	Stenholm
Konnyu	Owens (UT)	Stratton
Kostmayer	Oxley	Studds
Kyl	Packard	Stump
LaFalce	Panetta	Sundquist
Lagomarsino	Parris	Sweeney
Lancaster	Pashayan	Swift
Lantos	Patterson	Swindall
Leach (IA)	Pease	Synar
Leath (TX)	Pelosi	Tallon
Lehman (CA)	Penny	Tauke
Lehman (FL)	Pepper	Tauzin
Leland	Perkins	Taylor
Lent	Petri	Thomas (CA)
Levin (MI)	Pickett	Thomas (GA)
Levine (CA)	Pickle	Torres
Lewis (CA)	Porter	Torricelli
Lewis (FL)	Price	Towns
Lewis (GA)	Pursell	Traficant
Lightfoot	Quillen	Traxler
Lipinski	Rangel	Udall
Livingston	Ravenel	Upton
Lloyd	Regula	Valentine
Lott	Rhodes	Vander Jagt
Lowery (CA)	Richardson	Vento
Lowry (WA)	Ridge	Visclosky
Lujan	Rinaldo	Volkmer
Luken, Thomas	Ritter	Vucanovich
Lukens, Donald	Roberts	Walgren
Lungren	Robinson	Walker
MacKay	Rodino	Watkins
Madigan	Roe	Waxman
Manton	Rogers	Weber
Markey	Rose	Weiss
Marlenee	Rostenkowski	Weldon
Martin (IL)	Roth	Wheat
Martin (NY)	Roukema	Whittaker
Martinez	Rowland (CT)	Whitten
Matsui	Rowland (GA)	Williams
Mavroules	Roybal	Wilson
Mazzoli	Russo	Wise
McCandless	Sabo	Wolf
McCloskey	Saiki	Wolpe
McCollum	Savage	Wyden
McCrery	Sawyer	Wylie
McCurdy	Saxton	Yates
McDade	Schaefer	Yatron
McEwen	Scheuer	Young (AK)
McGrath	Schneider	Young (FL)
McHugh	Schroeder	
McMillan (NC)	Schuette	
McMillen (MD)	Schulze	
Meyers	Schumer	

NAY—0

NOT VOTING—15

Badham	Hall (OH)	Rahall
Biaggi	Kemp	Ray
Duncan	Latta	Smith (FL)
Emerson	Mack	Stokes
Guarini	Mica	Wortley

□ 1502

Mrs. KENNELLY changed her vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

The Chair announces that during the joint meeting to receive the Prime Minister of Canada, only the doors immediately opposite the Speaker and those on his left and right will be open.

RECESS

The SPEAKER. Pursuant to the order of the House of April 13, 1988, the House will stand in recess subject to the call of the Chair.

Accordingly (at 3 o'clock and 5 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1555

JOINT MEETING OF THE HOUSE AND SENATE TO HEAR AN ADDRESS BY THE RIGHT HONORABLE BRIAN MULRONEY, PRIME MINISTER OF CANADA

The SPEAKER of the House presided.

The Doorkeeper, the Honorable James T. Malloy, announced the Vice President and Members of the U.S. Senate who entered the Hall of the House of Representatives, the Vice President taking the chair to the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. On the part of the House, the Chair appoints as members of the committee to escort the Prime Minister of Canada into the Chamber: the gentleman from Washington, Mr. FOLEY; the gentleman from California, Mr. COELHO; the gentleman from Missouri, Mr. GEPHARDT; the gentleman from Florida, Mr. FASCELL; the gentleman from Michigan, Mr. BONIOR; the gentlewoman from Ohio, Ms. OAKAR; the gentleman from Illinois, Mr. MICHEL; the gentleman from Mississippi, Mr. LOTT; the gentleman from Wyoming, Mr. CHENEY; the gentlewoman from Illinois, Mrs. MARTIN; and the gentleman from Michigan, Mr. BROOMFIELD.

The VICE PRESIDENT. On the part of the Senate, the Chair appoints as members of the committee of escort, the Senator from West Virginia, Mr. BYRD; the Senator from Hawaii, Mr. INOUYE; the Senator from Maine, Mr. MITCHELL; the Senator from Texas, Mr. BENTSEN; the Senator from Arkansas, Mr. BUMPERS; the Senator from Michigan, Mr. RIEGLE; the Senator from Kansas, Mr. DOLE; the Senator from Wyoming, Mr. SIMPSON; the Senator from Rhode Island, Mr. CHAFEE; and the Senator from Minnesota, Mr. DURENBERGER.

The Doorkeeper announced the ambassadors, ministers, and chargés d'affaires of foreign governments.

The ambassadors, ministers, and chargé d'affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 4 o'clock and 4 minutes p.m. the Doorkeeper announced the Prime Minister of Canada.

The Prime Minister of Canada, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Mr. Vice President, Members of the Congress, it is my great privilege and I count it a high honor and a personal pleasure to present to you the chosen spokesman for a great, free, and friendly people, His Excellency Brian Mulroney, the Prime Minister of Canada.

[Applause, the Members rising.]

ADDRESS BY THE RIGHT HONORABLE BRIAN MULRONEY, PRIME MINISTER OF CANADA

(Portions of the Prime Minister's speech were delivered in French.)

Prime Minister MULRONEY. Mr. Speaker, Mr. Vice President, Members of Congress and Chers Amis, I feel right at home here, Mr. Speaker. This is the kind of invitation I sort of get everyday in the House of Commons, just before question period.

But I am delighted to be here and thank you for your gracious invitation and your very warm welcome.

I come here today to celebrate the historic friendship between Canada and the United States. On the border between our two countries, there are no fences and no barricades: there are no soldiers and no arms. That 5,000-mile frontier, spanning a continent between two oceans, is, of itself, a remarkable historical fact. It symbolizes neighborliness between two free and peace-loving nations. It signifies leadership, not only in the conduct of our bilateral relations, but for the international community as a whole.

History requires us to provide for our common security on the North American Continent, through NORAD and in the NATO Alliance. Geography obliges us to preserve and protect our environment, to pass on intact to future generations what providence and our forebears have so generously bequeathed us. Economics and geography together present us with a unique opportunity to further enhance our prosperity through trade. We begin, Mr. Speaker, from a common heritage of democratic traditions and a common defence of liberty.

There are reminders of that, from the trenches of one war, to the beaches of the next, places inscribed in the history of valour, where Canadians and Americans have stood together, where Canadians and Americans have died together, in the defence of freedom.

Canadians and Americans can and always will be proud of their commitment to democracy and freedom.

As we made common cause in two world wars and in Korea, so do our young men and women now stand the first watch of liberty in Western Europe. In peacetime, as in war, the United States and Canada have shouldered and shared heavy burdens in our common commitment to freedom. Together, we have maintained our presence in Europe for two generations, at considerable expense to both nations.

The importance of our defense capabilities now lies not so much in projecting power as in deterring war. I salute President Reagan for his achievements in the bolstering of Western defenses. His courage and leadership—and that of this Congress—have also made possible significant progress in arms control and disarmament.

The INF agreement, which has the full support of Canada and all NATO members, addresses the collective security of East and West, not just the United States and the Soviet Union; ultimately it deals with the survival of the human race. Canada, more than many countries, Canadians perhaps more than many peoples, are aware of the sombre of nuclear realities of our world. For we live in the shadow of nuclear arms, situated as we are directly between the world's superpowers.

But Mr. Speaker and Mr. Vice President it is not as if we see nothing to choose between them. We hear much about glasnost and Perestroika in the Soviet Union. Mr. Gorbachev is a reformer and, in the Soviet system, there is much in need of reforming. We wish him well, but history obliges us to retain a strong measure of skepticism about the Soviet system. And in some ways, Canadians also can be from Missouri.

Not all the time, Senator.

We live between the two superpowers, but did not and we do not see them as morally equivalent in any way. The United States is a bulwark of democracy, a beacon of liberty. The United States and its NATO allies stand for freedom; they exemplify and celebrate human rights and individual dignity.

Here, as in Canada, tolerance and respect for one another's opinions are ingrained in the national character. Here, as in Canada, governments dispose, but it is the people, the people who decide; elected representatives may govern but, it is, in the terms of the preamble of your Constitution, "We the people" who rule.

We are two independent nations, each with its own national interests and unique character. You have one official language; we have two. Your system of government is congressional; ours is parliamentary. Neither of our countries is without its inequities and its imperfections. But we are, each in our own way, building caring societies that give our citizens remarkable opportunities for education and employment, enabling them and our countries to make dramatic social and economic progress. We each have sovereign interests to assert, national interests to uphold. And we can have different views of the world, just as we clearly have different responsibilities in the world.

You know, it is fashionable in some circles to suggest that America is growing weary of its role and that its influence is in decline in the world. The evidence to the contrary is all about you, in the Silicon Valley of California, in the Sun Belt of the South, in your great agricultural heartland, in the new high technology corridor of the Northeast, in the towers of Manhattan, and throughout this splendid capital.

The world still looks to America not only as a model of liberty, but as a source of persuasive international leadership. The world counts as well on the strength and independence of this Congress, a legislature of unprecedented influence and capacity for good which has endured for over 200 years and which stands proudly as a cornerstone of this impressive democracy.

Mr. Speaker, when I sought the leadership of my party 5 years ago, and it was then that I acquired a deep respect for everyone everywhere who has had to run in a primary, but when I sought the leadership of my own party I said that Canada and the United States were one another's best friend and greatest ally. Nothing in my experience in government—and we have known tensions and serious disagreement—nothing has led me to revise my views about the profound value of an exemplary relationship between two of the world's great democracies.

Our common democratic values and our shared commitment to defend them is but one worthy example of neighborliness and leadership. The protection of our environment is another. As President Reagan has said:

"Our two countries should work together on all matters of environment, because entrusted to us is the care of a very unique and a very beautiful continent and all of us share the desire to protect this for generations of Canadians and Americans yet to come."

For more than 75 years, since the creation of the International Joint Commission, the United States and Canada have demonstrated both sensitivity and effectiveness in environmental protection and wildlife conservation. The flow of nature is rarely constrained by boundaries. The Canada goose winters in the United States—along with a few other Canadians—and the American bald eagle nests in the forests and soars in the skies of British Columbia.

Consider what we have achieved together in just one area, since the Great Lakes Waters Quality Agreement of 1972. The Great Lakes are coming back—one sure sign of this is the return in numbers of wildlife species once thought to be on the verge of extinction.

In the newly updated agreement, signed by our two countries in Toledo last November, we agreed not only on the nature of toxic wastes that have polluted the Great Lakes, but on a process for action to restore them.

(Speaking in French.)

(Translation) Together, the United States and Canada are taking the first steps to arrest the deterioration of the ozone layer that shields the Earth from the most damaging effects of the Sun. The Montreal accord is but one example not only of what we can achieve together, but of leadership for the world—and also, Mr. Speaker, that is to make certain they get the message in Louisiana.

(Text) This is not to say, (Mr. Speaker), that there are not issues of great moment between us. You are aware of Canada's grave concerns on acid rain. In Canada, acid rain has already killed nearly 15,000 lakes; another 150,000 are being damaged and a further 150,000 are threatened. Many salmon-bearing rivers in Nova Scotia no longer support the species. Prime agricultural land and important sections of our majestic forests are receiving excessive amounts of acid rain.

We are doing everything we can to clean up our own act—we have concluded agreements with our provinces to reduce acid rain emissions in Eastern Canada to half their 1980 levels by the year 1994. But you know, that is only half the solution—because the other half of our acid rain comes across the border, directly from the United States, falling upon our forests, killing our lakes, and soiling our cities.

The one thing acid rain does not do is discriminate. It is despoiling your environment as inexorably as it is ours. It is damaging your environment from Michgian to Maine, and threatens marine life on the eastern seaboard.

It is a rapidly escalating ecological tragedy in this country as well as ours. Just imagine for a second the damage to your tourism and recreation; to timber stands and fishing streams; to your precious heritage—if this is not stopped.

We acknowledge responsibility for some of the acid rain that falls in the United States, and by the time our program reaches projected targets, our export of acid rain to the United States will have been cut by an amount in excess of 50 percent. We ask nothing more than this from you.

I recognize that congressional funding for a clean coal technology program will help to develop new methods for reducing emissions in the longer term. I welcome that. I think it is a helpful and a progressive step. But more is needed.

We invite the administration, and the leadership of Congress, to conclude an accord whereby we agree on a schedule and targets for reducing acid rain that crosses our border. I will admit without hesitation that the cost of reducing acid rain is substantial, but the cost of inaction is greater still.

Canada will continue to press fully its case to rid our common environment of this blight—and we shall persevere until our skies regain their purity and our rains recover the gentleness that gives life to our forests and streams—and we hope that the United States Congress and the American people will respond in exactly the same way. I ask you this very simple proposition: What would be said of a generation of North Americans that found a way to explore the stars, but allowed its lakes and forests to languish and die? For as John F. Kennedy said at the University of New Brunswick, more than 30 years ago:

> In the final analysis, the elimination of these various tensions on both sides of the border * * * must rely upon the wisdom, understanding and ability of the leadership * * * of our two nations.

President Kennedy was right then, and his thoughtful words challenge both our countries today. It is our view and I suppose it is the view of many of you that our economic development and environmental protection are not mutually exclusive, but are mutually reinforcing.

And in terms of resources, Canada plays a major role in the world. With the seventh largest economy in the free world, Canada has had, since 1984, the strongest growth rate of the economic summit countries. We are the world's largest exporter of metals and lumber, the world's second largest exporter of wheat, and we supply fully one-third of the world's newsprint—I am not responsible for the editorials. Canada and the United States conduct vital energy trade—Canada is your most important foreign supplier of oil, gas, and electricity.

That is just one component of the world's largest trading partnership, in which 2 million jobs in each country depend on exports to the other. Consider this: three-quarters of our exports come to the United States; fully one-quarter of your exports go to Canada. We buy as Canadians twice as much from you as Japan, and we buy 10 times as much on a per capita basis. Canada buys more from the United States of America than the United Kingdom, France, West Germany, and Italy combined, and I tell you that is the record of a fair and a good trader. May Margaret Thatcher forgive me. But in point of fact as you already know, we are your best customers. We are good partners. And we are fair traders.

The Free Trade Agreement presents our two countries with an historic opportunity to create new jobs and enduring prospertity. This won't surprise you, but there are those in our country who say that in these negotiations we gave up too much. There are those in your country—perhaps even in this Chamber—who contend that we conceded too little. The agreement is not everything either side would have wanted, but as Franklin Roosevelt once observed:

> Nations are co-equals, and therefore any treaty must represent compromises.

This is a good, balanced and fair agreement, the most important ever concluded between two trading partners. Quite apart from phasing-out all tariffs, which I think you will agree is an achievement in itself, we've established a number of important firsts—for trade in services, for financial services, for bilateral investment. And we've established a unique dispute settlement mechanism.

My administration has the majority to enact this agreement, and we shall. In the Congress, you will vote it up or down, as you see the interests of your fellow citizens. It is there, on the table, for both of us to ratify—a dream as old as the century, a dream that has eluded successive generations of leaders for a hundred years, a dream that is now clearly within our grasp.

Now is the time to send a powerful signal to our other trading partners, to give strong impetus to the GATT, to give new hope to those poorer nations who desperately need more liberalized trade and more generous access to our markets.

We stand at the threshold of a great new opportunity for all our citizens. This is more than simply a commercial agreement between two countries. The Free Trade Agreement for you and for me is a call to excellence. It is a summons to our two peoples to respond to the challenge of comparative advantage in the 21st century.

A nation's productivity may end on the assembly line, but it begins in the classroom. The imperatives of education are compelling and clear. Canadians know, we have learned that the growth areas of our economy, the areas of technology and innovation and the service sector will demand, for example, higher math scores, higher reading and reasoning skills, and greater language proficiency, if we are to remain competitive.

The demands of trade oblige us as a smaller country with 25 million people, we have had to learn to be lean and aggressive, but fair, and in becoming more competitive in the world, I think we have become more knowledgeable upwardly.

And so, Mr. Speaker, that is the challenge of the Pacific. This is not a mystery. This is the challenge of the Pacific. That is the challenge of the European community, 320 million strong, in 1992.

That is the challenge of developing nations who cannot meet their financial obligations if they cannot sell their goods.

If the poorest nations cannot get that crippling burden of debt off their backs, they can't do business with either of our great countries. From the age of the Phoenicians to the age of Venice, to our own era, civilizations always have been enriched by trade.

And that, in my judgment, and I fought for this, and I have carried our share of responsibility, and others in this Chamber have as well. That is what the Free Trade Agreement is about—a magnificent opportunity for a new decade and a new century.

The challenges and the choices for both our nations are clear:

To guarantee our continued security.

To ensure an environment in which our children can inherit both a standard of living and a standard of life.

To provide for their education and development in a manner which will assure, years from now, their well-being and their competitiveness and their prosperity.

And most of all, you and I as legislators and as leaders of our respective countries, must continue to build distinctive and independent societies on the North American Continent that reflect both the excitment of change and the strength of immutable values.

Mr. Speaker, and Mr. Vice President, and Members of the Congress, succeeding generations of Americans have known the wisdom of the philosopher, Ralph Waldo Emerson, who wrote: "The way to have a friend is to be one."

Our two peoples, our two countries, have met that test in the past. We do so today, and I know that we shall in the future. I am confident, there is not the slightest doubt in my mind, I am confident that the relationship between Canada and the United States of America, we will know difficulties, we will know moments of strain, we will know moments of crisis and tension, but there is not the slightest doubt in my mind that rooted as we are in fundamental values and democratic traditions that this relationship will always be, as Winston Churchill described it more than a half a century ago, "an example to every country, and a pattern for the future of the world."

Thank you.

(Applause, the Members rising.)

At 4 o'clock and 27 minutes p.m., the Prime Minister of Canada, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Doorkeeper escorted the invited guest from the Chamber in the following order:

The Members of the President's Cabinet.

The ambassadors, ministers, and charges d'affaires of foreign governments.

JOINT MEETING DISSOLVED

The SPEAKER. The purpose of the joint meeting having been completed, the Chair declares the joint meeting of the two Houses now dissolved.

Accordingly, at 4 o'clock and 58 minutes p.m., the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

ANNOUNCEMENT OF THE SPEAKER

The SPEAKER. The House will continue in recess and resume its session at 5 p.m.

□ 1700

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 5 o'clock p.m.

APPOINTMENT OF CONFEREES ON H.R. 442, CIVIL LIBERTIES ACT OF 1987

Mr. FRANK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 442) to implement recommendations of the Commission on Wartime Relocation and Internment of Civilians, with the Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? The Chair hears none, and appoints the following conferees: Messrs. RODINO, FRANK, BERMAN, SHAW, and SWINDALL.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO SIT DURING THE 5-MINUTE RULE ON THURSDAY, APRIL 28, 1988

Mr. FRANK. Mr. Speaker, I ask that the Committee on the Judiciary be permitted to sit during the 5-minute rule on Thursday, April 28, 1988.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EMERGENCY MANDATORY VETERANS SUPPLEMENTAL APPROPRIATIONS, 1988

Mr. WHITTEN, Mr. Speaker, I ask unanimous consent that the Committee on Appropriations be discharged from further consideration of the joint resolution (H.J. Res. 552) making emergency mandatory veterans supplemental appropriations for the fiscal year ending September 30, 1988, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 552

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1988, namely:

VETERANS' ADMINISTRATION

LOAN GUARANTY REVOLVING FUND

For additional amount for the "Loan Guaranty Revolving Fund", $526,600,000, to remain available until expended: *Provided,* That the last proviso in the "General operating expenses" appropriation in the Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988 (H.R. 2783), as enacted under the provisions of section 101(f) of Public Law 100-202, an act making further continuing appropriations for the fiscal year ending September 30, 1988, is deleted.

READJUSTMENT BENEFITS

For an additional amount for "Readjustment benefits", $182,500,000, to remain available until expended.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution under consideration, and that I be permitted to include tabular and extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The gentleman from Mississippi [Mr. WHITTEN] is recognized for 1 hour.

Mr. WHITTEN. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts [Mr. CONTE], the distinguished ranking minority member of the Committee on Appropriations.

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

Mr. Speaker, this resolution provides a total of $709.1 million new budget authority for two emergency mandatory accounts in the Veterans' Administration. They are the veterans' housing program for $526.6 million, and veterans readjustment benefits for education programs of $182.5 million.

Both of these accounts are classified as mandatory entitlement programs. The President requested funding for these two programs. As well as the Veterans' Administration in testimony before the subcommittee chaired by our distinguished colleague, the gentleman from Massachusetts [Mr. BOLAND].

Technically, the VA housing program ran out of money on April 1 and is currently using emergency statutory borrowing authority from other accounts to keep the housing programs operating. By May 1 all funding will dry up for veterans' housing programs. Since both of these accounts are classified as mandatory they are not scored against the discretionary ceiling and, therefore, do not violate the so-called summit recommendations.

Mr. Speaker, I support this resolution and urge my colleagues to vote for this mandatory emergency supplemental.

Mr. Speaker, I yield the balance of my time to the gentleman from Massachusetts [Mr. BOLAND], the chairman of the Subcommittee on HUD-Independent Agencies.

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

Mr. Speaker, this joint resolution recommends supplemental appropriations of $709,100,000 for VA entitlement programs. Expeditious handling of the joint resolution is essential to: First, maintain the solvency of the loan guaranty revolving fund; second, permit payments for educational benefits after mid-May; and third, delete a proviso carried in the 1988 general operating expenses appropriation which earmarked funds for ADP programs. The two appropriations are mandatory under existing legislation and we must provide the funding. The proviso regarding the GOE appropriation is technical—and it does not increase budget authority or outlays.

These items have been lifted out of a number of supplemental requests submitted by the administration on March 17, 1988. As far as I am aware, these items are noncontroversial, but the need for the funds is very urgent.

The $526,600,000 requested and recommended for the loan guaranty revolving fund is necessary to maintain the solvency of the fund. It will allow the Veterans' Administration to keep its commitments to pay claims on defaulted home loan mortgages. The level of foreclosures on guaranteed loans and the resulting claims have increased above the level planned for fiscal year 1988. The 1988 appropriation of $389,800,000 for this program has already been used. The need for the supplemental appropriation comes from the continued increase in the number of claims—primarily in the energy States of Texas, Oklahoma, Louisiana, Colorado, and Alaska. These are claims against the Government which must be paid.

The Veterans' Administration had estimated the loan guaranty revolving fund would—for all practical purposes—be out of funds by the end of March. However, the VA has exercised its transfer authority and transferred $157,500,000 from the readjustment benefits appropriation to the loan guaranty revolving fund. It has also transferred $42,500,000 from the compensation and pensions appropriation—through the readjustment benefits account—to the loan guaranty revolving fund. By letter dated March 30, 1988, the OMB informed the Speaker of this $200,000,000 transfer and the resultant reapportionment of the readjustment benefits and compensation and pension appropriations. The transfer will provide sufficient funds to cover obligations in the loan guaranty revolving fund until the later part of April. However, because of the transfer from readjustment benefits, that account will run out of funds to pay educational benefits in the middle of May.

The $182,500,000 recommended for the readjustment benefits appropriation is necessary to permit payment of educational benefits through the balance of fiscal year 1988. This amount includes the $25,000,000 requested due to a recalculation of the funds necessary, and $157,500,000 for the amount

transferred to the loan guaranty revolving fund.

The supplemental request of $498,100,000 for compensation and pension—and the $42,500,000 transferred to the loan guaranty revolving fund—will be provided in a later supplemental measure. Because the compensation and pensions appropriation is a $15 billion account, additional funds are not needed in that account until closer to the end of the fiscal year.

An offsetting reduction in the loan guaranty revolving fund request for the funds already transferred has not been taken. The original estimates of the additional funds needed for the loan guaranty revolving fund in 1988 ranged from approximately $500,000,000 to $1,000,000,000. The $526,600,000 request submitted was based on extremely optimistic assumptions for receipts—primary from sales of homes. Based on recent sales, it does not appear that the level of receipts assumed will materialize in 1988. It is estimated that another $200,000,000 will be required to pay claims in fiscal year 1988. That is why we are recommending the appropriation of $526,600,000.

Let me assure the members that this is a mandatory payment and the funds appropriated can only be used for that purpose. If we do not provide the additional funding now, we will have to provide it later. We have included the additional amount now so that future claims can be paid in an orderly fashion. This also will reassure lenders that the Federal guarantee is solid so that they will have no reservation about continuing to guarantee new loans to veterans.

The proviso included in the loan guaranty revolving fund paragraph would remove restrictions on the availability of general operating expenses funding carried in the 1988 appropriations act. Removing the restriction on ADP funds will enable the Veterans' Administration to make the most effective use of its resources. This will allow the VA flexibility in handling the reductions in the GOE account required by last fall's budget summit agreement. This proviso does not increase budget authority or outlays.

Mr. Speaker, this joint resolution provides necessary funds for mandatory programs in the Veterans' Administration. I urge Members to pass this joint resolution today so that it may be sent to the Senate. Hopefully, it will pass that body in the near future. This will permit the VA to continue timely payments of veterans' benefits.

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

Mr. Speaker, I rise in support of this joint resolution making urgent, mandatory supplemental appropriations for the Veterans' Administration.

House Joint Resolution 552 is a clean, three-part supplemental providing $709.1 million in mandatory spending for two VA accounts that have already run out of fiscal 1988 funds.

These supplementals were requested by the President on March 17, but we have revised the amounts to reflect transfers that have been made by the VA to keep the loan guaranty fund solvent during the past 41 days.

Here I have a "Statement of Administration Policy" from the Director of the Office of Management and Budget, Jim Miller, dated today, expressing the administration's support for this bill and asking us to quickly address the remaining supplemental requests—especially for the Coast Guard, the Defense Department, and the Black Lung Program.

I would like to add that Director Miller urges us to keep this bill as clean as a hound's tooth so that we may get it to the President's desk as soon as possible. With the cooperation of the other body, we can get it to him tonight, and hopefully act on the remaining supplemental requests in the next 2 weeks.

But again, this bill contains funds that are urgently needed, and they are for mandatory veterans programs requested by the President.

I urge my colleagues' support for this measure. Thank you, Mr. Speaker.

EXPLANATION

As my colleague from Massachusetts, the distinguished chairman of the HUD-Independent Agencies Subcommittee, Mr. BOLAND, has explained, $526.6 million is for the loan guaranty revolving fund, and $182.5 million is for readjustment benefits. A third provision simply deletes some restrictive language we placed in last December's CR limiting the availability of VA general operating expenses funds.

VA LOAN GUARANTY REVOLVING FUND

This fund provides credit assistance to eligible veterans, active-duty servicemen, and certain surviving spouses seeking to buy, build, repair or refinance a home. To date this year, we have appropriated $389.8 million to pay entitled claims for defaulted home loan mortgages. Since October, however, there has been a 23-percent increase in the level of foreclosures on guaranteed loans and resulting claims. Collections and sales have also been lower than expected.

On March 17, the President requested $526.6 million to meet estimated needs for the remainder of this year.

For all intents and purposes, this fund was depleted in early April. The VA and OMB have used existing transfer authority to keep the fund solvent, but the last penny will be drained on Friday.

This $527 million is urgently needed to meet to our guaranty commitments.

VA READJUSTMENT BENEFITS

These are mandatory funds used to make educational and training assistance and rehabilitation payments to disabled veterans, to post-Korea and Vietnam-era veterans, sons and daughters of veterans who were POW's, MIA's, or permanently disabled. For fiscal year 1988 to date, we have appropriated $625.7 million for these benefits. On March 17, the President requested an additional $25 million to meet estimated obligations. During March and April, the VA transferred $158 million from this account to meet the more urgent shortfall in the loan guaranty fund.

The $182.5 million in this resolution reflects the $25 million request of the President as well as the transferred funds which need to be replenished.

The VA considers this to be a very urgent need, since the readjustment benefits account will be depleted on or about June 1.

VA GENERAL OPERATING EXPENSES

In the fiscal year 1988 continuing resolution, we placed some restrictive language provisions on the $762.8 million general operating expenses account at the VA. This action was taken in order to set a floor on the level of staffing in the Department of Veterans benefits to ensure continued and timely care of service to our veterans. We also included language prohibiting the closure of the St. Paul Insurance Center, and an earmark of $26.7 million for equipment contracts.

On March 17, the President submitted supplemental language to delete all three restrictive CR provisions. Our committee has agreed to remove the most restrictive of this language to give the VA some flexibility with the transfers within the contracts account.

This resolution contains language striking the amount and extended availability for ADP contracts. It is strongly supported by the VA and by the administration.

Mr. Speaker, I have a statement from the administration, the Director of the Office of Management and Budget, Jim Miller, dated today expressing the administration's support for this bill, and I include that letter for the RECORD.

STATEMENT OF ADMINISTRATION POLICY, APRIL 27, 1988

H.J. RES. 552—EMERGENCY MANDATORY VETERANS SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1988

[Sponsor: Whitten, Mississippi]

The Administration supports adoption of the bill before the House of Representatives to provide additional FY 1988 funds for the Veterans Administration's Loan Guaranty Revolving Fund and to avoid an interruption of payments to holders of defaulted guaranteed loans and readjustment benefits recipients. The Loan Guaranty Revolving Fund may not have sufficient budgetary resources to meet its legal commitments to pay claims for defaulted guarantees

through the end of this week. The Administration would opose the addition of any extraneous provisions, language or funding, to the bill.

The Administration would have preferred timely action on a complete bill which is consistent with the budget agreement and which responds to the other important FY 1988 requests transmitted by the President in the February budget and on March 17, 1988. The requests for the Coast Guard, the Defense Department and the Black Lung program are especially noteworthy. The Coast Guard, due to cuts by Congress to the President's FY 1988 request, has had to curtail certain activities designed to interdict drug smuggling at a time when the war on drugs is, quite appropriately, a major public concern. For the Department of Defense, additional flexibility is required to fund necessary military personnel and operations and maintenance programs. The Black Lung Disability program is expected to exhaust existing funds in mid-May resulting in reduced Federal payments.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GREEN].

Mr. GREEN. Mr. Speaker, I thank the distinguished minority member of the Committee on Appropriations for yielding me this time. I should like to make it clear to my colleagues that this supplemental appropriation in every way meets the standards of the summit agreement with respect to supplemental appropriations. These are mandatory appropriations, they are not discretionary. It truly is an emergency that we are facing.

The first of the requests is $526.6 million for the Veterans' Administration loan guarantee revolving fund. That fund has been having expenditures at a rate higher than anticipated primarily because of the problems which we are all aware of in terms of certain parts of the country, the oil parts of the country in particular. As a result, defaults have been high. The Federal Government is committed to pay on its guarantees when these defaults occur and those defaults have been occurring at a rate of 23 percent greater than the level originally estimated by the VA for fiscal year 1988.

The fund will be depleted by the end of the week if we do not act today.

The other fund that is affected here is the mandatory VA readjustment benefits. They provide educational assistance payments to Vietnam era veterans and to the sons and daughters of veterans who either died of service-connected disabilities or whose service-connected disability is rated total and permanent. The fund was originally believed to need a $25 million supplemental and that was what was originally requested. However, subsequently the OMB transferred $157 million from this account to the loan guarantee revolving fund to keep that solvent so the need is for $182.5 million in order to keep this fund going for the balance of the year.

I emphasize again that these supplemental appropriations have been requested by the administration. They are mandatory, not discretionary accounts. There is truly an emergency in terms of the ability of the Federal Government to live up to its obligations if we do not pass this bill.

Mr. BOLAND. Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi [Mr. MONTGOMERY], the distinguished chairman of the Committee on Veterans' Affairs.

Mr. MONTGOMERY. Mr. Speaker, I would like to thank the gentleman from Mississippi [Mr. WHITTEN], the chairman of the Committee on Appropriations; the ranking Republican member, the gentleman from Massachusetts [Mr. CONTE]; the gentleman from Massachusetts [Mr. BOLAND], the chairman of the Subcommittee on HUD-Independent Agencies; and the gentleman from New York [Mr. GREEN], the ranking member on the Subcommittee on HUD-Independent Agencies.

Mr. Speaker, I rise in support of this urgent supplemental for the Veterans' Administration and I commend the chairman of the committee and the ranking minority member for their prompt action in getting this measure to the House.

With regard to the loan guaranty funds contained in this measure, I want to commend the committee for not reducing the amount made available to pay lenders' claims. The agency asked for $526.6 million to pay claims for defaulted guaranteed home loan mortgages. Since funds for this purpose have been exhausted since April 1, the VA has been transferring funds from other program accounts to pay these claims. Jim Miller, Director of the Office of Management and Budget, now claims the request can be "adjusted downward" by $200 million.

Ask anyone in the loan guaranty office and they will tell you that they will be in deep trouble if this is done. Again, the administration is trying to make things appear better than they really are.

The original supplemental request should have been close to $1 billion, rather than $526.6 million. The VA has been forced to acquire record numbers of properties as a result of the economic downturn in certain parts of the country, especially in the States of Texas, Oklahoma, Colorado, Louisiana, and other oil- and gas-producing States. The economy in Houston has been about as bad as it can get. Home foreclosures have been at a record high for the past several years. Yes, we have real problems with home loan foreclosures in Houston and other areas of the country. It is costing hundreds of millions of dollars to pay off these guaranteed loans but this is not unique to the Veterans' Administration.

The same is true of HUD loans and loans made by the private sector. It is costing the taxpayer even more to keep banks from failing in Texas and elsewhere. So all of us know we have problems with the economic situation in these areas of the country.

How do we solve this serious problem that is costing the U.S. taxpayer millions of dollars? The VA should be trying to get top dollar for these properties by holding on to them for awhile, and renting them, until the economy gets better instead of auctioning them off and getting only one-half of what they were worth when the VA acquired them. OMB needs to look beyond the short-term problems and figure out a way to keep this program viable and operating on a sound fiscal footing.

So again, Mr. Speaker, I commend the committee for its responsible action on this measure. The amount for the loan guaranty revolving fund is not being reduced as proposed by the Office of Management and Budget. It contains the entire amount requested, $526.6 million. In addition, it contains the $182.5 million requested for the readjustment benefits account. The action of the Appropriations Committee will assure that veterans can continue to get VA home loans and claims can be paid on defaulted loans. In addition, veterans will continue to draw their monthly education benefits under the various education programs enacted by the Congress.

I urge the adoption of the bill.

Mr. CONTE. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], the ranking minority member of the Committee on Veterans' Affairs.

Mr. SOLOMON. Mr. Speaker, I rise in strong support of the emergency veterans supplemental appropriations bill for fiscal year 1988. The Veterans' Administration's Home Loan Guarantee Program needs $526.6 million to remain solvent for the remainder of the current fiscal year.

It has been experiencing a very high foreclosure rate in certain areas of the country, particularly those where the economies have been hard hit by low oil prices.

Without this emergency supplemental, the program will become insolvent and unable to pay off the loan guarantees it has made. Of course, it is unthinkable that an agency of the Federal Government would fail to meet such obligations.

Mr. Speaker, obviously this sea of red ink in the Loan Guarantee Program cannot continue for long. The Veterans' Affairs Committee has already addressed the program needs in this Congress with Public Laws 100-198 and 100-253. More is necessary and the committee is going to be taking a hard bipartisan look at the Loan

Guarantee Program with an eye toward fundamental reforms.

But let there be no mistake, the Home Loan Guarantee Program enjoys broad support, and any changes will be for its improvement, not its termination. I hope that message reaches OMB loud and clear.

Also, $157.5 million was transferred from veterans readjustment benefits to shore up the Loan Guarantee Program until it could get a supplemental appropriation, and that money should be replaced so that the readjustment benefits programs will be able to operate normally.

Mr. Speaker, when the administration submitted its fiscal 1989 budget request, it indicated a $25 million deficit for readjustment benefits in fiscal year 1988. The bill before us requests $182.5 million for readjustment benefits, and the additional $157.5 million was the money transferred to the Loan Guarantee Program.

Mr. Speaker, I commend the distinguished leadership of the Appropriations Committee, JAMIE WHITTEN, the chairman, SILVIO CONTE, its ranking member, EDWARD BOLAND, chairman of the Subcommittee on HUD and Independent Agencies, and BILL GREEN, the subcommittees' ranking member, for bringing this bill to the floor in a timely manner, and I urge my colleagues to support it.

Mr. Speaker, I commend the distinguished leadership of the Committee on Appropriations, the gentleman from Mississippi [Mr. WHITTEN], the chairman, and certainly the gentleman from Massachusetts [Mr. CONTE], the ranking minority member, as well as the gentleman from Massachusetts [Mr. BOLAND], and the gentleman from New York [Mr. GREEN] and, of course, the gentleman from Mississippi [Mr. MONTGOMERY], my good colleague and great leader of our Committee on Veterans' Affairs. Mr. Speaker, I urge strong support for this legislation.

Mr. CONTE. Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in strong support of House Joint Resolution 552, the emergency veterans supplemental for fiscal year 1988.

Without these emergency appropriations the Veterans' Home Loan Program would run out of money later this month. It is essential that we not allow this to occur.

This legislation reflects the continuing efforts of Congress to ensure our Nation's veterans will be able to achieve the American dream of home ownership.

I would also note that this legislation contains $25 million, requested by the President, for veterans' readjustment benefits, including several programs which support job training and education programs for veterans.

However, the lion's share of funding contained in this supplemental provides for the continued solvency of the VA Home Loan Program. The program is jeopardized by the current high foreclosure rate in certain regions of the country.

As we approve this bill today we should all keep in mind that if it were not for the Veterans' Administration Home Loan Program, many millions of America's veterans—and their families—would not be in their homes today. I commend the distinguished chairman, Mr. WHITTEN. I know that my friend Mr. CONTE has had a long and continuing interest in the welfare of our Nation's veterans as he had expressed these views for many years on this floor. Mr. GREEN as well had been a long and valued friend in supporting veterans.

Mr. Speaker, I would just take one moment to commend Chairman BOLAND for his role in bringing this bill to the floor in a timely manner. Mr. BOLAND has been a great friend to America's veterans over the years and he will truly be missed when he leaves this great body.

I urge my colleagues to support this most important legislation.

Mr. BOLAND. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Ohio [Ms. KAPTUR], the distinguished chairman of the Subcommittee on Housing and Memorial Affairs of the Committee on Veterans' Affairs.

Mr. MCEWEN. Mr. Speaker, will the gentlewoman from Ohio yield?

Ms. KAPTUR. I am happy to yield to the gentleman from Ohio.

Mr. MCEWEN. Mr. Speaker, I rise in support of this legislation.

Ms. KAPTUR. Mr. Speaker, I want to take this opportunity to commend the members of the House Appropriations Committee for moving on the VA's appropriation request so expeditiously. In particular, I greatly appreciate the fact that Mr. WHITTEN and Mr. BOLAND have acted in such a responsible manner and recognize the critical financial needs of the Loan Guaranty Program.

I realize the committee did not have to recommend the requested amount in full. However, I appreciate their acknowledgment of the serious financial condition of the loan guaranty revolving fund at this time. The high level of foreclosures is attributable to the economic situation prevailing in certain regions of the country such as Texas, Colorado, and Oklahoma. This is a universal problem which is affecting all segments of the housing industry.

Although the situation is not expected to totally turn around in the near future, I am optimistic that it will get better. My subcommittee is also committed to exploring ways to address the future solvency of the program and will be considering legislation to that effect within the next few months.

Once again, I wish to thank you for taking such a realistic approach to a very serious problem.

Mr. Speaker, I want to take this opportunity to commend the members of the Committee on Appropriations for moving so expeditiously on this important legislation. I commend the gentleman from Mississippi [Mr. WHITTEN], the gentleman from Massachusetts [Mr. BOLAND], the gentleman from Massachusetts [Mr. CONTE], and the gentleman from New York [Mr. GREEN].

Mr. MONTGOMERY. Mr. Speaker, will the gentlewoman yield?

Ms. KAPTUR. I yield to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, for the record, I commend and compliment the gentlewoman from Ohio [Ms. KAPTUR], and the gentleman from Indiana [Mr. BURTON], the ranking minority member of the Subcommittee on Housing and Memorial Affairs for voting out and updating housing legislation for veterans. It has not been changed in 30 years. We hope we can cut back on repossessions, with the Government having to take over these houses from veterans. I think the work that the gentlewoman from Ohio has done is such that we will have an improvement in that area. I commend the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Speaker, I appreciate the remarks of the gentleman from Mississippi. I wish also to express my appreciation to the gentleman from New York [Mr. SOLOMON], the ranking minority member.

Mr. CONTE. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me this time. I just think that it would be well if we understand just exactly what we are doing here. It is my understanding that this is a supplemental requested by the administration for some $562 million, is that correct?

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

Mr. WALKER. I yield to the gentleman from Massachusetts.

Mr. CONTE. The gentleman from Pennsylvania is absolutely right. The full amount is $709.1 million.

Mr. WALKER. And if I understood the gentleman from New York [Mr. SOLOMON] a few minutes ago, it is within the budget summit?

That is a little confusing because it was my understanding that the budget summit that was agreed to last year

specifically said that there should be no supplemental appropriation.

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Mr. WALKER. Does somebody want to explain that to us?

Mr. GREEN. My understanding of that was that applied to discretionary spending, and that there was an exception for dire emergencies. This is not discretionary spending. These accounts are mandatory accounts.

Mr. WALKER. In other words, if we add money for mandatory programs, that does not violate the budget summit?

I will be glad to yield to the gentleman from Massachusetts.

Mr. CONTE. As the gentleman from Pennsylvania knows, I was on that budget summit along with the gentleman from Mississippi [Mr. WHITTEN] for 25 grueling days. We did not prohibit spending on any mandatory supplemental, only discretionary.

Mr. WALKER. The spending we are doing here now, I take it, that figure is above that agreed to in the budget summit? Is that correct?

Mr. CONTE. I think that is correct. Yes.

Mr. WALKER. So we are adding somewhere in the vicinity of three-quarters of a billion dollars to the overall budget summit agreement?

Mr. CONTE. That is right, at the request of the President.

Mr. WALKER. That relates to mandatory spending. If there were discretionary spending here, that would not be legitimate under the budget summit? Is that right?

Mr. CONTE. The gentleman is absolutely correct.

Mr. WALKER. So if we bring forth a supplemental matter in the future that is discretionary, we would not be complying with the budget summit unless it has offsets?

Mr. CONTE. The gentleman is absolutely correct. This says, and I am reading from the agreement, "Neither the Congress nor the President shall initiate supplementals except in the case of a dire emergency. When the executive branch makes such a request, it shall be accompanied by a Presidentially transmitted budget amendment to the Congress," and if there are any discretionary supplementals, they must have an offset. They must cut somewhere else.

Mr. WALKER. I understood the gentleman to say a little earlier we have some supplementals coming down the pike such as black lung?

Mr. CONTE. That is correct.

Mr. WALKER. As I understand, some of those are in discretionary accounts?

Mr. CONTE. The Coast Guard. We did that this afternoon in subcommittee, $60 million in transfers and offsets from other agencies.

Mr. WALKER. To comply with the budget summit, when that bill comes to the floor, we will have to have dollar-for-dollar offsets for every penny that we spend under the discretionary account? Is that correct?

Mr. CONTE. The gentleman in the well is absolutely correct. There are 34 supplementals.

Mr. WALKER. Do we have an understanding that the Appropriations Committee will not bring to the floor any bill that does not have dollar-for-dollar discretionary offsets for the funding that we do?

Mr. CONTE. I would say to the gentleman in the well, and I only speak for myself, and I agreed to that budget summit, and I would definitely agree with him.

Mr. WALKER. So in this case, we do not have to have the offsets, because it is mandatory spending, but if we come forward later on with another supplemental, in order to comply with the budget summit, that would have to have offsets, as the administration proposed, not necessarily those offsets, but in an amount similar?

Mr. CONTE. The gentleman is correct.

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

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

The SPEAKER pro tempore (Mr. HUTTO). Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT ON TOMORROW DURING THE 5-MINUTE RULE

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Buildings and Grounds of the Committee on Public Works and Transportation be permitted to sit on Thursday, April 28, 1988, during the 5-minute rule.

I will say further, Mr. Speaker, the matter has been cleared by the minority.

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

There was no objection.

TRIBUTE TO NEW MEANS OF PROVIDING ACCESS TO PROCEEDINGS OF CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. MCEWEN] is recognized for 5 minutes.

Mr. MCEWEN. Mr. Speaker, in this electronic age, where voices, images, and data can move from place to place with lightning speed, it is important to pause occasionally and remind ourselves of the roots of this modern technology. It is especially appropriate for those of us who serve in the Congress to remember that it was in this very building that the electronic information age began. On May 24, 1844, Samuel F.B. Morse—one of our Nation's greatest artists and inventors—transmitted the words "What hath God wrought" over a telegraph line from the Supreme Court room here in the Capitol Building to his partner Alfred Vail in Baltimore.

Mr. Speaker, it is somewhat ironic that a rejection by Congress actually led to Samuel Morse's invention. In 1837, a committee of Congress rejected his request to be named artist to fill one of the four panels in the rotunda. Today we know, of course, that Mr. Morse's famous "Night Session" painting hangs in Statuary Hall. Weary of the struggle for recognition and subsistence, as an artist he turned his attention toward a new career as inventor.

And it was Sam Morse's good fortune to once again be rejected by Congress when he sought to sell the rights of his invention to our Government. He turned instead to private investors and entrepreneurs—and the rest, as they say, is history.

Mr. Speaker, Samuel Morse was born on this day in 1791. He died in 1872, just a few years before Alexander Graham Bell took his invention one step further and sent his own voice over electronic wire. Often called "the father of electronic transmission," Samuel Morse pioneered a field that would later see remarkable achievement:

Marconi took Morse's code and sent it to a receiver without the need for wires—the forebearer of radio transmissions.

And today, more than a century after Samuel Morse's death, satellites orbit the earth carrying voice and data to points throughout the world. Samuel Morse has received the recognition he sought so desperately. Were he alive today, I'm certain he would applaud these newer communication technologies and he would be proud that he started it all.

Recently another example linking modern communication technology and the work of the Congress had come to my attention, and I would like to share it with my colleagues.

As you may know, the Government Printing Office now makes available the daily CONGRESSIONAL RECORD on magnetic tape as well as on paper and microfiche. The new technology that allows GPO to use electronic photocomposition to produce the RECORD more rapidly and economically also allows it to produce electronic data tapes. Three private companies purchase the tapes and offer home and business computer access to this vital source of current legislative information on a daily basis.

One of these companies, Mead Data Central, is located in Ohio, and offers this important new service through both its Lexis and Nexis services. These two information services, I might add, have been approved by the Clerk of the House for use in congressional offices.

This state-of-the-art delivery of the CONGRESSIONAL RECORD offers a real time savings and a significant increase in the effectiveness and efficiency of the use of the RECORD. This computer access helps students, businesses and all American citizens interested in the proceedings of the Congress.

The service includes the full text of the RECORD, the Daily Digest, and the Extension of Remarks.

Congressional staffs and others are now able to track a speech or follow debate simply by using the name of a Member of Congress—instead of leafing through page after page of debate. That is a valuable time savings.

I am pleased that the private sector has recognized the value and importance of the CONGRESSIONAL RECORD and are making it a part of the electronic and technological revolution taking place in our Nation today—much the same way that they recognized the value of Samuel Morse's invention nearly a century and a half ago.

I am particularly pleased that Mead Data Central, headquartered in the Sixth Congressional District of Ohio and a pioneer in the delivery of electronic information services, is now making the CONGRESSIONAL RECORD available as well.

Mr. Speaker, on this day—the birth date of Samuel F.B. Morse—I think it is appropriate that we pay tribute to this important new means of providing access to the proceedings of the Congress. This is a historic occasion and I am pleased that Congress is now supporting the development of the burgeoning information industry by making the CONGRESSIONAL RECORD available in electronic form.

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INTRODUCTION OF H.R. 4475, REVISING SPECIAL TREATMENT OF CERTAIN TAX BENEFIT TRANSFERS ENGAGED IN BY ALASKA NATIVE CORPORATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, today I am introducing H.R. 4475, a bill to revise the special treatment of certain tax benefit transfers engaged in by Alaska Native corporations. In the Deficit Reduction Act of 1984 and the Tax Reform Act of 1986, Congress generally restricted intercorporate transfers of net operating losses. However, special rules were provided which allow corporations established by the Alaska Native Claims Settlement Act to transfer to other companies losses generated by the legitimate business operations of those Native entities through 1991. Both the policy deliberations and the estimated revenue implications of these special rules were based upon a presumption by Congress that only a limited amount of true economic losses incurred by the Alaska Native corporations would be allowed to be transferred, and a further presumption that the vast majority of these losses had been incurred as of the date of enactment of the 1986 act. There was no expectation that the provision would apply to subsequent paper losses generated through accounting manipulation.

Unfortunately, it has come to my attention that creative investment bankers and others may have turned a legitimate policy enacted by the Congress into a significant tax loophole. It is my understanding that Alaska Native corporations have been approached by profitable corporations with various schemes aimed at generating paper, or so-called soft, losses based upon the difference between past and current valuation of timber and other properties. Through a subsidiary, or other means, the Alaska Native Corporation would transfer the tax benefits of these paper losses to such corporations for what amounts to a fee. These schemes apparently have caused a rush to create new and ever larger paper losses for sale.

Mr. Speaker, in the 1986 Tax Reform Act, Congress attempted to assist struggling Alaska Native corporations. However, Congress never intended to encourage Alaska Native corporations to create artifical losses and split the resulting tax benefits with profitable corporations. Such activities are unjustified under the policy of the 1986 act, and are not reflected in the estimated revenue impact of that provision. In fact, I understand that these creative practices may have already cost the American taxpayer six times the original revenue estimate for this provision. If Congress does not move to restrict this unintended tax avoidance, it may cost $200 million or more in additional lost revenue that very profitable companies would otherwise pay in Federal taxes. In addition, significant State tax revenues may be lost. I am confident that had Congress been aware of the potential for such creative accounting and the potential adverse revenue consequences, the 1986 act provision would have been structured to disallow such uneconomic transactions.

Mr. Speaker, the legislation I introduce today is not intended to be retroactive, and does not affect losses transferred in taxable years prior to the date of introduction. It would, however, end this unintended practice today. Alaska Native corporations would be on an even footing with other corporations whose sales of tax benefits have been restricted. Also, I want to emphasize that this bill is not intended to condone by inference the tax activities which generated excessive and unwarranted losses in the past. The Internal Revenue Service, of course, has the ability to scrutinize such transactions in accordance with the 1986 act provisions.

The text of H.R. 4475 follows this statement:

H.R. 4475

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) nothing in section 60(b)(5) of the Tax Reform Act of 1984 (as amended by section 1804(e)(4) of the Tax Reform Act of 1986)—

(1) shall allow any loss (or credit) of any corporation which arises after April 26, 1988, to be used to offset the income (or tax) of another corporation if such use would not be allowable without regard to such section 60(b)(5) as so amended, or

(2) shall allow any loss (or credit) of any corporation which arises on or before such date to be used to offset disqualified income (or tax attributable to such income) of another corporation if such use would not be allowable without regard to such section 60(b)(5) as so amended.

(b) For purposes of subsection (a), the term "disqualified income" means any income assigned (or attributable to property contributed) after April 26, 1988, by a person who is not a Native Corporation or a corporation all the stock of which is owned directly by a Native Corporation.

PRINTING OF PROCEEDINGS HAD DURING THE RECESS

Mr. GAYDOS. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

The SPEAKER pro tempore (Mr. HUTTO). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MARY LANEY RECEIVES THE 1988 DANTE AWARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I rise to call to the attention of my colleagues the achievements of Mary Laney, anchor and commentator of the 6 p.m. newscast on WMAQ–TV, Channel 5 in Chicago, who will receive the 17th annual Dante Award of the Joint Civic Committee of Italian Americans, at a luncheon to be given in her honor on May 13, at the Como Inn in Chicago.

Mary Laney is best known by Chicagoans for her objective and responsible investigative reporting and editorial commentary. She has maintained the highest standards of integrity in her broadcasting career, and in recognition of her outstanding broadcasting achievements, she has received six Emmys from the Chicago chapter of the National Academy of TV Arts and Sciences, three Associated Press awards, one UPI award, and numerous other official commendations and awards.

She richly deserves the Dante Award, because it was Dante Alighieri, in his book "Divine Comedy," who said, "if I should prove a timid friend of truth, I fear to lose my fame among the people whose age will call the present era ancient."

The Dante Award was established by the Joint Civic Committee of Italian Americans, an umbrella organization comprised of more than 40 civic organizations in the Chicago area, to extend recognition annually to an individual in the mass media communications field who has made a positive contribution to the profession of journalism.

Mary Laney was born in Sheboygan, WI, and received a bachelor of arts degree in English and political science and a master's degree in fine arts from the University of Wisconsin. From 1971 through 1975, she was a producer and reporter for WBBM News Radio in Chicago, and she also worked as a writer and producer for WBBM-TV, producing the station's noon newscast. Joining WMAQ-TV in January 1981, she anchored the noon news from May 1982 to August 1983, and served as the station's editorial director from August 1983 to February 1987.

During her career in Chicago, Mary Laney has investigated the Illinois system, the city's litter problem, and a major collapse at a Loop construction site. For her outstanding investigative reporting and commentary, in addition to her many awards, she has also received two official commendations from the Illinois State Legislature, and three proclamations from the Chicago City Council for her editorials which have served as a catalyst for positive changes in the community.

The 17th annual Dante Award luncheon will be held at the Como Inn, under the auspices of the Human Relations Committee of the JCCIA, chaired by Charles C. Porcelli. The president of the JCCIA is Carl DeMoon, who will also participate in this event. David Finney, program director at Channel 5 will serve as the master of ceremonies of the luncheon, and the invocation will be offered by the Reverend Lawrence Cozzi, C.S., administrator of Villa Scalabrini, the Italian Old Peoples Home in Melrose Park.

For the 13th straight year, the John Fischetti Scholarship will also be awarded at the luncheon. The scholarship was established by the Joint Civic Committee of Italian Americans to further the study of Italian American students in communications and is named after the Pulitzer Prize-winning political cartoonist. This year, two $1,000 scholarships will be awarded to Susan Mae Tomaro, a student at Northwestern University, and Lisa Ann Taranto, a student at Northern Illinois University.

Mr. Speaker, I extend my warmest congratulations to Mary Laney on meriting this recognition, and for the strong and constructive impact she has made on the broadcasting industry. Her career, character, and splendid record of achievement prove that she is, indeed, a "friend of truth."

ARE FOREIGN INVESTORS BUYING THEIR WAY INTO THE HEARTS AND MINDS OF THE AMERICAN PEOPLE?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 60 minutes.

Mr. GAYDOS. Mr. Speaker, 10 years ago, nobody would have believed me if I said that the U.S. trade deficit would reach a record $170 billion in 1987. Well, it did, and this year's figures indicate that the trade deficit is going to get worse before it gets better.

Since I first came to Congress in 1968, I have spoken out about our trade problems, and I have always insisted that without a rational and comprehensive trade policy, America cannot realistically hope to remain the economic leader of the free world.

Now is the time for Congress to show the courage and leadership necessary to level out our balance of trade and regain our undisputed leadership in the world market.

I am pleased that an overwhelming majority of the Members of the House has approved the conference report on H.R. 3, the omnibus trade bill, and I am glad that trade is finally becoming an important topic in Washington.

H.R. 3 is a crucial first step in the process of formulating a national trade policy, and it will renew the President's authority to negotiate multilateral and bilateral trade agreements which could improve America's access to foreign markets.

But, the soundness of our Nation's trade policy depends upon reliable information and a clear understanding of the total trade picture. We need accurate and detailed information on the health of our economy and the economies of our trading partners and competitors.

We also need to know how much of our assets are invested overseas and how much foreign owners have invested in the United States. This is where H.R. 3 falls short. In the give-and-take process of making the trade bill more acceptable, the House and Senate conferees dropped the bill's foreign investment disclose provision.

I am very disappointed that this important provision was not included, because I have supported similar measures for many years. Fifteen years ago, I spoke out on this issue here on the floor of the House and I believe my remarks in 1973 are just as timely now as they were then. So, let me say again: "I can understand the Government wanting to improve our balance of payments. It has had a pretty dismal record in that area lately. But I question the wisdom of making our key industries and natural resources vulnerable for foreign ownership or control. Could we count on a [foreign-owned] industry to supply our needs in times of emergency? What if we were forced into a confrontation with the parent nation of that industry's owners? On which side would they stand?"

Mr. Speaker, when I delivered that speech in 1973, America had a net international investment surplus of $48 billion. In 1988, we have an investment deficit of more than $300 billion.

Fifteen years ago, foreign banking companies controlled less than 4 percent of U.S. banking assets. In 1988, they control 19 percent and their share is increasing every year.

In 1973, foreign countries had only $175 billion invested in the United States. Right now, they hold a $1.5 trillion share of our capital and assets.

Just as it was in 1973, it is still impossible for us to judge the power which 1.5 trillion dollars' worth of foreign ownership represents. Overseas owners hold partial or full title to some of America's major banks, trading companies, steel companies, car plants, insurance companies, hotel chains, supermarkets, and real estate.

I wish that I could provide a complete list of what foreign company owns which American business, but I can't. The best we can come up with are partial listings which happen to appear in the press.

Right now, there is absolutely no way for anyone, even a Member of Congress, to find out which foreign companies are buying up the United States.

Let me repeat that—there is simply no way for us to tell which foreign businesses are buying American stocks, bonds, real estate, businesses, manufacturing plants, and our national debt. There's a frightening lack of information on foreign investment, and it's an elusive issue which could come back to haunt us.

When the stock market crashed on October 19, we got an indication of the power which foreign investors hold over our economy. Nicholas Brady, head of President Reagan's task force which studied the crash, said it was triggered by heavy selling of United States Government bonds by Japanese investors.

Mr. Brady's remarks were reported in the Wall Street Journal last week, even though his conclusions did not appear in the official report on the crash. Without the special access Brady's commission had to information on the crash, we would never have found out the extent to which Japanese investors were involved with the events on October 19.

Foreign investment disclosure is absolutely necessary if we are serious

about realistically evaluating the health and strength of our economy. We cannot possibly hope to formulate economic policy if we don't have all of the facts on foreign investment in the United States.

If foreign investors decide to secretly buy a controlling interest in a major manufacturing industry or brokerage house, then there will be very little to prevent them if they are skilled at covering their tracks in a maze of paper transactions. There will simply be no way for us to uncover such a cleverly concealed transaction, because we don't require overseas investors to open their records to public scrutiny.

We have seen how the Japanese have carved their niche in the American television, typewriter, computer, and automobile markets and then proceeded to put United States companies out of business. In the past, we haven't taken the initiative to find out what's going on before it's too late.

Those who argue against investment disclosure say that this information is already available to the Securities and Exchange Commission, and the Departments of Commerce and the Treasury. That is not good enough. The information needs to be publicly available to anyone who's interested.

Americans should not assume that our national security is safe just because foreign investment information is secretly filed away in Washington. It's impossible for bureaucrats to trace the ebb and flow of the $1.5 trillion which is invested in the United States. Only someone with an intimate knowledge of a particular business or industry can fully appreciate what effect foreign investment could have on our economy and our national security. And, in the United States, that information is simply not available.

But, anyone who can read Japanese can get a very good picture or exactly which Japanese firms have invested money in American companies. Every year, the Oriental Economist Publishing Co. puts out a current book on Japanese investment in every country in the world, including the United States. The book is called "Japanese Multinationals: Facts & Figures," and it contains a comprehensive list of over 10,000 companies throughout the world which are fully or partially owned by Japanese companies.

The section on the United States is 82 pages long and contains detailed information on every major United States company in which the Japanese have an interest. Each listing has the name and address of the company, its location, its assets, the number of employees, the type of business, a subjective performance rating, the address and telephone of the United States business, the name of the Japanese parent company, and the name of the American partner if it's jointly owned.

In addition to this one, there is another Japanese book called "Foreign Affiliated Companies in Japan: A Comprehensive Directory." This book list the names of foreign-owned companies in Japan; their line of business; their address and telephone number; the company assets, the types of shareholders; information on suppliers, customers, company officers, brand names, import ratios, export ratios, employees, plants, and offices; it gives a subjective performance rating; and it tells about the foreign parent company.

Mr. Speaker, ample investment information is already available—in Japanese. Using just these two books, any Japanese businessman can get a comprehensive picture of both foreign investment in his country and Japanese investment in all the other nations of the world.

American businessmen are being denied access to this same basic information, but requiring foreign investment disclosure could change all that.

If we don't give our businesses access to the same type of basic financial information which the Japanese have, we'll continue to fight for a share of the world's market with our hands tied behind our backs.

Critics of the foreign investment provision which was stripped from the trade bill include a group called the Emergency Committee for American Trade [ECAT]. The group is comprised of 57 large multinational corporations which are convinced that investment disclosure would hurt American business. ECAT's members include such names as Boeing, Chase Manhattan, Ford, G.M., Xerox, Caterpiller, TRW, and Westinghouse.

One of ECAT's main arguments is that if we required foreign companies to disclose their U.S. investment, those nations would retalitate. This is a specious argument because many countries, including Japan, have foreign reporting requirements which are much more extensive than any proposed by this Congress.

In evaluating ECAT's position, we need to consider which firms belong to the group. They are all multinational corporations, and, by definition, operate in many different countries. They can make their products wherever the cost of production is lowest, and they may not owe allegiance to any one nation.

I have also been skeptical of multinational corporations for quite a while, and 15 years ago I warned my fellow Members of the House:

> Left to their own devices, American companies will be forced in ever-increasing numbers to jump on the multinational bandwagon, expanding their operations into foreign countries while at the same time curtailing the employment of American workers.

Since I made those remarks in 1973, we have seen thousands of American companies open overseas operations and we've seen the unemployment in the United States which these moves have produced.

Multinational corporations look for the best deals, regardless of where they find them, and I have reservations about their true reasons for opposing foreign investment disclosure.

I'm sure that each company in ECAT has a staff of economic researchers devoted to finding out all of the information they need on foreign investment and the activities of their competitors in the United States and abroad. But what about the little guy? What about small American companies that need to know which foreign interests are buying up their U.S. competitors. This information is not public, and there's no way for small businesses to get it.

In the business community, knowledge is power and denying American businesses information on foreign investors is weakening their position in the world market. Investment information is available to the Japanese and if we are denied the same type of information, we are at a competitive disadvantage.

America needs a timely, effective, and comprehensive national trade policy. We can no longer ignore the sophisticated market strategies of foreign nations which are quickly gaining control over American financial and manufacturing resources. American businesses and the American people deserve to know who's buying control of the United States.

Mr. Speaker, the time has come for us to face last year's $170 billion trade deficit head on. The omnibus trade bill is a good start, but we also need to require foreign owners to report their holdings.

Although it was excluded from the trade bill, there is a free-standing bill to require foreign investment reporting. At the beginning of this Congress, our colleague JOHN BRYANT of Texas introduced H.R. 312, the Foreign Ownership Disclosure Act, and 65 of us have cosponsored it.

Disclosure of foreign investment and ownership is a very simple and reasonable request. If they have nothing to hide, foreign companies should be glad to make this information available. But, if they resist offering this basic information too strongly, we need to ask why.

I urge all of my colleagues to support H.R. 312 because all American citizens and businesses have a right to know who's buying their way into the United States of America.

The time has come for us to get serious about our Nation's trade deficit, and the omnibus trade bill is the first step in the long process of reducing

our overwhelming trade deficit. The second step is to find out who's investing how much where.

Reversing the trade deficit is going to be a long and difficult process, but it's one which we must begin immediately. Unless we make a full commitment to ending our trade deficit, we cannot succeed. We need to use the full resources of our Government, business, and labor to defeat the trade deficit and we need to have the best, most accurate information about our competition.

□ 1740

I yield to the gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. I thank the gentleman for yielding.

Mr. Speaker, I want to commend the gentleman from Pennsylvania for bringing the importance of revealing to the American public who is investing in this country. I am sorry, too, that that was removed from H.R. 3. I certainly will join with the gentleman and others in supporting this kind of information being made available. I think it is very valuable as far as where are we going? How do we know where we are going in the industrial arena and the business arena if we do not know who is coming in here?

Mr. GAYDOS. I want to thank my colleague.

I believe before the gentlewoman's time, we had a Member from western Pennsylvania, Congressman "Doc" Morgan who at one time sponsored legislation requiring that a special committee be appointed and that a study be made. It was concluded. That is now sitting on a dusty shelf somewhere like all other special commissions in this country. The information is not available.

If he were here today I think he would testify to the fact that even then, 10, 15 years ago many Members were very sensitive about the problem. And if we had listened then I think we would be in a better position or in better shape now.

Mrs. BENTLEY. It is a gigantic problem. I thank the gentleman from Pennsylvania.

MORE GREEN TEA AND DIRTY TRICKS

The SPEAKER pro tempore (Mr. GRAY of Illinois). Under a previous order of the House the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

□ 1745

Mrs. BENTLEY. Mr. Speaker, over recent weeks I have been reading from a book called "The Japanese Conspiracy" which explains the appalling conversion of our economy from manufacturing to service and the loss of manufacturing jobs from this country. The American public needs to know what has really happened to their industry, and it is explained very, very thoroughly in this book on how our industry was targeted, how our major industries were targeted both by Japan, Incorporated, namely, the Japanese Government through its Ministry of International Trade and Industry and its large, gigantic holding companies.

But what makes this so very important tonight of what I am going to talk about is that it is not just the large corporation who suffers, but any size firm. And the following stories that I have clipped out of the newspapers in recent days show how long Japanese firms target a small business and then try to take it over or do take it over.

Remember, and this is why the small business is so very, very important, small business is the job generator for America; 80 percent of our jobs come under the umbrella of small business.

Mr. Speaker, this week in the Washington Post another piece of that story was revealed. This story explains how a large company, namely, Mitsubishi, and everybody has heard about Mitsubishi; Mitsubishi is reported on page after page of "The Japanese Conspiracy," but in this case it tells how Mitsubishi stole the technology from a small firm, Fusion Systems Corp. of Rockville, MD.

The story goes on to point out that 10 years ago Fusion Systems Corp., a small, high-technology company based in Rockville, sold one of its patented microwave lamp systems to the giant Japanese electronics conglomerate, Mitsubishi. Two years later, the trouble started. Mitsubishi began filing a steady stream of its own patent applications in Japan covering the same technology. Today, 200 patent applications later, Fusion officials say the Japanese firm has pirated their technology and is using its economic clout to bully them out of the Japanese market.

On the face of this, the story goes on, the issues involved are small. Fusion's lamps, which are used in the production of semiconductor chips, optical fibers, circuit boards, packaging materials and other products, make up less than a $10 million market in Japan. For Mitsubishi Electric, which last year had revenues in excess of $12 billion, the microwave lamp business is a trivial one, but the case has attracted widespread interest in Congress, and the American business community is threatening a messy dispute about whether the Japanese patent process and corporate patent policies are unfair to American competitors.

"In Japan, this notion of big corporations forcing small corporations to cross license their technologies appears to be an all too frequent happening," said U.S. Trade Representative Michael Smith who met with representatives of Mitsubishi last week in Tokyo at Fusion's request in an attempt to resolve the dispute.

This article, incidentially, was written by Malcolm Gladwell.

"The Japanese say this is simply a company-to-company dispute," Smith said. We think it is more than that. It involves the basic issues of intellectual property, and this goes on and on, and really what this points up is how the technology from this country is reversed engineered overseas primarily in Japan and how they then move in to take over our technology. I will include all of that story in my remarks tonight.

[From the Washington Post, Apr. 26, 1988]

ROCKVILLE FIRM SAYS MITSUBISHI STOLE ITS TECHNOLOGY

(By Malcolm Gladwell)

Ten years ago, Fusion Systems Corp., a small high-tech company based in Rockville, sold one of its patented microwave lamp systems to the giant Japanese electronics conglomerate Mitsubishi Electric Co.

Two years later, the trouble started.

Mitsubishi began filing a steady stream of its own patent applications in Japan covering the same technology. Today, 200 patent applications later, Fusion officials say the Japanese firm has pirated their technology and is using its economic clout to bully them out of the Japanese market.

On the face of it, the issues involved are small. Fusion's lamps, which are used in the production of semiconductor chips, optical fibers, circuit boards, packaging materials and other products, make up less than a $10-million-a-year market in Japan. For Mitsubishi Electric, which last year had revenues in excess of $12 billion, the microwave lamp business is a trivial one.

But the case has attracted widespread interest in Congress and the American business community, threatening a messy dispute about whether the Japanese patent process and corporate patent policies are inherently unfair to American competitors.

"In Japan, this notion of big corporations forcing small foreign companies to cross-license their technology appears to be an all-too frequent happening," said Deputy U.S. Trade Representative Michael B. Smith, who met with representatives of Mitsubishi last week in Tokyo at Fusion's request in an attempt to resolve the dispute.

"The Japanese say that this is simply a company-to-company dispute," Smith said. "We think its more than that. It involves basic issues of intellectual property."

Mitsubishi officials, for their part, deny that their patent applications infringe on Fusion's product, and yesterday charged that the public campaign Fusion has waged against them in the dispute amounts to simple intimidation. Fusion's campaign has included everything from pressure on the administration from Maryland Sens. Barbara Mikulski (D) and Paul S. Sarbanes (D), last week's visit by Ambassador Smith, to a PBS documentary to be aired tonight.

"This is a cunning and savvy attempt by a U.S. company to generate political and media pressure against a Japanese company to get it to accept its commercial demands," said T. Sakurai, president of Mitsubishi Electric's U.S. subsidiary.

The dispute centers on attempts to find practical applications for the high-density

heat generated by microwaves. Fusion, formed by five scientists in 1971, was the first in the field to market a microwave lamp.

Mitsubishi, which is the third-largest lamp producer in Japan, followed soon after, introducing in Japan what Mitsubishi officials say was a substantially different design but what Fusion claims was simply a copy of its technology.

Under Japanese law, Fusion has the right to challenge Mitsubishi's applications. The trouble is that the Maryland firm hasn't the legal resources to fight all 200 claims. In the meantime, officials of the company claim that Mitsubishi has been scaring off potential Fusion customers with hints of an impending patent battle.

The two firms have held a series of negotiations since 1985, but Fusion officials said they have gotten nowhere because Mitsubishi has insisted a settlement include access to Fusion's technology.

"We're not asking for protectionism or special access, because we're doing fine," said Fusion President Don Spero, whose rapidly growing firm had sales last year of $25 million. "But we would rather that the price of success not be that they get to steal our business."

Fusion's story is denied at almost every point by Mitsubishi officials, who say that it is Fusion, not Mitsubishi, that is guilty of patent infringement and that Spero disrupted serious negotiations to resolve the issue with a political compaign designed to make them "a second Toshiba." Toshiba's sale of sensitive technology to the Soviet Union last year provoked howls of protest and threats or retaliation from Congress.

The larger political debate over the Fusion-Mitsubishi dispute, however, has turned not so much on the details of the case but the light it sheds on a Japanese patent system that many American companies and trade authorities feel discriminates against foreign competitors.

"The lesson here is that the Japanese system is very perilous," said Fusion's Spero. "You go to a party and you think it's a canasta game and it turns out to be high stakes poker."

And then there is another story, a familiar story along the same line, but even a little more daring. This is a man whom I know who developed the Seiko watch out in California who has a similar story to tell, and it reveals how Seiko moved into his company, got major stockholding, and then pushed him out, and took all his patents over and, of course, has been making many, many millions on it. But this is a small company in California, Micro Power. And once again all of that story from the San Francisco Chronicle will be included in my extension of remarks.

This is a familiar story. I know a man who developed the Seiko watch who has a similar story to tell.

[From the San Francisco Chronicle, Apr. 21, 1988]

THE SEIKO ALLEGATION

EXEC CLAIMS FIRM TRIED TO SELL SECRETS

(By John Eckhouse)

Japanese electronics giant Seiko has tried to illegally transfer secret U.S. military technology to China, a local electronics executive has told Congress in sworn testimony.

Seiko attorneys call the allegations a complete fabrication by someone the company fired and who has filed a $110 million lawsuit against Seiko.

The accusation made by John Hall to an almost deserted Senate committee last month is reminiscent of the shocking disclosure last year that a subsidiary of Tokyo-based Toshiba sold key technology to the Soviet Union for use in submarines. This time, however, the technology in question was developed in the United States.

"It can vastly increase the accuracy of Chinese ballistic missiles," Hall, a 20-year Silicon Valley veteran who designed the advanced semiconductors, said in an interview. "You can practically fly a missile down a smokestack with that technology."

Hall, 55, is the founder of Micro Power Systems Inc. He charges that he was fired as president of Seiko—which now owns 62 percent of the Santa Clara company—for refusing to cooperate with the scheme to illegally transfer his technology to China.

"Seiko is on record as saying it categorically denies having transferred any technology it received from Micro Power to China," said John Hadlock, an outside counsel for Seiko Instruments, one of 26 subsidiaries of Hattori Seiko Co. Ltd. The Japanese conglomerate has about 7,500 employees involved in producing watches, clocks, computers, eyeglasses and jewelry and posted sales of 450 billion yen (about $3 billion) for the year ended March 31.

The mystery of whether the missile technology made its way from Santa Clara to China via Japan may never be solved. Hall admits that he does not know whether Micro Power and Seiko ever completed the deal. And neither the Pentagon nor the Department of Defense are willing to shed light on the matter.

A Commerce spokesman said the office of export enforcement is "aware of and reviewing" Hall's allegations, but as a matter of policy does not comment on whether a firm is under investigation. The official also said federal law prohibits him from releasing any information on export licenses, so he cannot confirm whether Micro Power ever applied for permission to send the technology to China.

Nevertheless, the incident provides an intriguing look at what can happen to U.S. technology controlled by foreign companies.

Hall founded Micro Power in 1971. He contributed inventions and technology, while Seiko invested $1 million in cash, provided a line of credit and got 51 percent of the stock.

About a quarter of the company's sales were to U.S. military contractors, who used Micro Power products in the B-1 bomber, anti-ballistic missiles, the Tiger tank and military space satellites. Hall said the company had grown to 450 employees and was highly profitable when he was fired in June 1986.

The reason for his dismissal, he claims, was his refusal to aid Seiko's repeated efforts to sell data converter technology to the Chinese. Hall said he cooperated at first. He made four trips to China to discuss the sale and then applied to the Department of Commerce for an export license, which is required for high-tech exports to 15 Communist countries.

Hall said he then received a visit from the CIA, and was advised that selling his company's products to China would not be in the best interests of the United States. Hall said he complied.

Hadlock said he is almost certain that Seiko knew nothing about Hall's dealings with the Chinese and certainly did not encourage that kind of business.

The digital-to-analog technology in question would have provided the Chinese missiles with what Hall described as 16 bit and higher accuracy with .003 percent linearity, more than 100 times the accuracy the Chinese missiles currently have.

In English, that means that if you fire an intercontinental missile, it is likely to fall within a two-mile radius of its target, instead of a 200 mile radius with the previous technology.

Three defense industry sources independently confirmed that part of Hall's assessment and verified his reputation as an engineer recognized internationally for developing advanced semiconductor designs and technologies.

"I certainly think that if China were to be sold the same technology that was available from Micro Power, their missile accuracy would be several orders of magnitude better than what they have now," said a former engineer at the company who now works for another defense-oriented firm. But the experts noted that Micro Power was hardly the sole source of the technology, although it had the highest-speed, highest-power chips.

"Micro Power makes very good analog-to-digital and digital-to-analog converters, but that is where the story ends," said a high-tech industry executive, whose own company produces similar products. "How the products are used is up to whoever buys them and I don't think you will ever find that out."

Seiko's attorneys say Hall is spreading false stories in order to get revenge for having been fired after 15 years as president and chief executive of Micro Power. They note that Hall has filed a $110 million suit against Micro Power and Seiko, claiming wrongful termination, breach of contract, fraud and conspiracy.

"This is all part of his lawsuit," Hadlock said of Hall's claims and his attempt to solicit support in Washington.

Hall, who uses the plural "we" when talking about himself, bristles at such a suggestion.

"We have a very high probability of recovering our losses through court action and we don't need the help of Congress," he said from the office of his new semiconductor company. Hall said he gave up any chance for an out-of-court settlement by choosing to be patriotic and enlisting the support of several members of Congress, who are worried by what may be a glaring loss of key technology.

"If that chip has all those characteristics which we have been led to believe by technical experts—independent experts we've talked to, not John Hall—then it would be a very grave situation if it had been put into the hands of a foreign country which we are not sure is a friend or enemy," said Pat Wait, administrative assistant for Representative Helen Bentley, R-Maryland.

Seiko said the allegations against it "are baseless and without merit." To back that up, the company hired consultant Richard Popkin, former deputy for policy to the assistant secretary of Commerce for trade administration.

"We determined that, quite the contrary, none of the technical data (owned by Micro Power) has been so sensitive as to even require the company to apply to the Commerce Department for a validated export license," Popkin said. A Commerce spokesman said a foreign company generally is al-

lowed to transfer to its home country any technology obtained through its ownership of U.S. companies.

"John Hall's concern is that the technology can then be transferred from Japan elsewhere without U.S. government control," said Hall's attorney Rob Bunzel. Hall steadfastly refused "sizeable monetary carrots" offered by the Chinese if he would sell them his technology, said Bill Reister, who was general manager of Micro Power's custom products division at the time Hall was president of the company.

Regarding Hall's charges that he was removed for protesting the technology sale to China, Micro Power offers a far different version of events. The company said Hall simply lacked the management skills required to run the company after it had reached its present size.

"The board of directors became convinced that somebody was needed with managerial skills that Mr. Hall didn't have and they sought to bring someone in," said Robert Venning, legal counsel for Micro Power Systems.

Hall and his attorney question that rationale, given Hall's track record as founder-president-chief executive.

"He had less than $3 million in capital over a 15-year period during which he grew the company to 480 employees and an annual sales rate of $50 million," Bunzel said. "That is not only good management, that is almost unparalleled management in Silicon Valley."

Hall said that after his dismissal Seiko moved most manufacturing operations to Japan, laid off more than 200 employees and left Micro Power in an unprofitable state, unable to make a planned public offering of its stock.

"This is not isolated, we know of at least two other companies this has happened to," Hall said. In the 1970s, Seiko financed two groups of entrepreneurs who founded Micro Display Systems in Texas and Computer Optics in New York. Hall claims that Seiko eventually transferred the companies' technology to Japan, then left the firms to flounder and die.

"We don't think Seiko has a pattern of investing in companies in order to take advantage of their technology," Hadlock said in response.

Hall owned 15 percent of the stock in Micro Power when he left the company, but he said the stock now is worthless. At present, Hall is president of Linear Integrated Systems, a small semiconductor company he founded last year to manufacture chips designed by other firms.

Another example of what happened to a small firm is the Aunyx Corp. of Hingham, MA. It looked like the small firm was going to win, but this time our own people turned against them.

AUNYX, CORP.,
Hingham, MA.

Hon. HELEN DELICH BENTLEY,
House of Representatives,
Washington, DC.

DEAR CONGRESSWOMAN BENTLEY: I am writing to you regarding a law suit that Aunyx Corporation filed against Canon U.S.A. A wholly owned subsidiary of Canon Japan.

We filed the law suit through the International Trade Commission in Washington, D.C. Our goal was to seek relief through an embargo of Canon products or a cease and desist order which the I.T.C. has the power to administer. I think the particular articles we enclosed will give you a broad view of our allegations against Canon.

HISTORY OF THE CASE 1986-1988

1. The I.T.C. voted 6-0 to initiate the investigation into Canon in August of 1986.

2. The investigative staff came out in favor of Aunyx during their investigation and even recommended stronger actions against Canon to the Administrative Law Judge.

3. The Administrative Law Judge heard the case and found Canon guilty of violation of section 337 of the Tariff Act of 1930.

4. The Commissioners reviewed and reversed the Judge's decision on February 22, 1988 by 6-0.

It came to my attention after the Commissioners decision that an individual from the office of General Council who advises the Commissioners was recently employed by Covington & Burlin, who are Canon's Council in Washington.

It seems unethical that an individual would sit in on a decision and advise the Commissioners in this case.

All our politicians, Republicans and Democratics, tell U.S. Businessmen how we have to become more competitive with the Japanese. We are a 5 million dollar company, Canon is a 2.5 billion dollar company, they virtually monopolize the whole market for these products which is unheard of in our industry, and unprecedented in any industry in general.

Aunyx has gone from 85 employees down to 24 and frankly they have us breathing through the bamboo shoot.

I personally can walk away from this business and give in, that thought gives me knots in my stomach as it is another market that we have allowed the Japanese to dominate. I feel with all my heart that if we just keep giving in and letting the Japanese buy us that our children will not have the same opportunities and dreams we all had.

The market we are fighting for is a 500 million dollar market with the new products coming out and on the drawing board. Aunyx's market share could have been between 15% and 20% of this market. Other U.S. Manufacturers have sent statements into the Commissioners expressing their interests in manufacturing the Canon brand toner, IBM, Nashua Corp., Xerox.

It is ironic that in 1985 there were 17 independent toner manufacturers and in 1988 there are only 4 manufacturers left.

I cannot imagine a Japanese Commissioner handing a Japanese firm this decision in Japan, after being found guilty by a Judge.

I am not upset with the Japanese as they are going to keep taking markets if we so readily give them away. I am deeply concerned with our system when it does not support a level playing field and fair play.

Several close friends of mine called me after the decision to encourage me to go on and that is what prompted this letter to you. One of them told me about a cartoon that he had seen in the newspaper which depicted a guy inside a train tunnel asking the question whether he was seeing the light at the end of the tunnel or was it a freight train coming at him. I honestly do not know but being run over by a freight train seems better than cutting and running!

I would appreciate it if your office could look into this matter and get back to me at Aunyx, if nothing else, but to let me know somebody with authority out there cares.

Sincerely,

ROBERT J. LANGONE,
President.

□ 1755

I must say, Mr. Speaker, that I have been receiving too many of these letters from small manufacturers all over the country who are writing and saying, "Does anybody out there care? Does anybody in Washington care? Do they really care what is happening to the small individual businesses around the United States."

I want Mr. Langone and others out there to know, yes, we do care, and I will certainly look into that with the ITC. I think it is outrageous and it certainly smells bad. I must say that it smells bad when the commissioners reverse their decision like that, six to nothing, when the administrative law judge had found and supported that this had been a violation of our laws.

This is a cry for help from American business when the president of a small firm asks, "Let me know somebody out there with authority really cares."

The story from the Christian Science Monitor, which I am going to include, explains fully what did happen.

I might note that Aunyx has filed a $300 million antitrust lawsuit against Canon in the Federal district court in Boston; however, this case could drag on for many years.

I hope that Mr. Langone will receive support, enough support to keep him fighting and I am going to urge many of my colleagues here to help this man and let us look into the action of the International Trade Commission.

Then there is another story again concerning trade with Japan. This time this is from the Japan Economic Journal. As we hear about what they are doing over here, we also need to examine what is behind their strategy of targeting American firms for their business and products. This particular article of April 16 shows that the Japanese are anything but contrite for Toshiba's actions. To them it is another thing that probably should have happened and could happen again. In fact, they doubt that the machine tools sold to the Soviets helped make the submarines any quieter.

This article is entitled, "Two Allies Which Do Not See Eye to Eye." It is written by Mr. Masahiko Ishizuka and it points out that ever since the issue surfaced following United States accusations, that the Japanese machinery company; namely, Toshiba, was secretly selling milling machines to the Soviets, thus allegedly helping the Russians to reduce the noise of propellers on their nuclear submarines.

The Japanese have persistently viewed the company, and for that matter, Japan as a whole, as an unlucky victim of United States policy of Japan bashing. There is no sense of a sincere admission of guilt, nor has there been a genuine apology to the United States and other countries in the western alliance that form Cocom.

This is written, once again I want to point out, in a Japanese journal, the Japan Economic Journal of April 16.

It points out that the illegal sale of machine tools would not have become an issue at all if the United States had not made it public, thereby forcing the Japanese Government to act.

I might note here, just inserting, that it was in December 1986 when our Government first notified the Japanese about this Toshiba sale and nothing happened until Congress heard about it and in the summer we took action and we have been fighting ever since, since last July.

The article by Mr. Ishizuka goes on to say that the Japanese are even inclined to see the entire affair as a sinister United States plot designed to place Japan in a difficult position.

The Japanese are still doubtful that the machine tools sold by Toshiba Machine really helps the Soviets make quieter submarines.

So it goes on and on and makes another remark that the Japanese can afford to stay this way because they have left military matters and security arrangements largely to the Americans following the post-war cast of bilateral relations in the fixed roles of victor and vanquished.

When I say that they can afford to stay that way, it is; namely, that they can afford to be nonchalant about security.

Clearly, this is an area in which the Japanese and Americans do not see eye to eye, Mr. Ishizuka says. This is potentially dangerous for the two countries' relations. The danger is particularly acute because the United States and Japan are the two most powerful and closely interdependent economies in the world and Japan's continuing growth as an economic power requires a major recasting of the framework of the two countries post-World War II relations.

Mr. Speaker, I include the entire article by Mr. Ishizuka, as follows:

[From the Japan Economic Journal, Apr. 16, 1988]

TWO ALLIES WHICH DO NOT SEE EYE TO EYE

(By Masahiko Ishizuka)

The Toshiba issue, which began a year ago with the uncovering of Toshiba Machine Co.'s illegal export of high-tech machine tools to the Soviet Union, continues to attract attention, with many U.S. lawmakers trying to legislate punitive measures against the Japanese industrial giant. The Japanese argue that Toshiba has already been punished enough, morally and in terms of actual business. They also claim that the case has efficiently been brought to a conclusion by the recent Japanese court verdict finding Toshiba Machine guilty of violating the Japanese trade law that conforms to the COCOM rule prohibiting sales of specific machinery and technology to the Communist Bloc.

Has the case really been closed? Probably not, at least in terms of the way the Japanese look at their relations with the U.S.

Ever since the issue surfaced following U.S. accusations that the Japanese machinery company was secretly selling milling machines to the Soviets, thus allegedly helping the Russians to reduce the noise of propellers on their nuclear submarines, the Japanese have persistently viewed the company and, for that matter Japan as a whole, as an unlucky victim of a U.S. policy of "Japan bashing" There is no sense of a sincere admission of guilt, nor has there been a genuine apology to the U.S. and other countries in the Western alliance that form COCOM.

The sole Japanese concern has been to avoid offending the U.S. further. The illegal sale of machine tools would not have become an issue at all if the U.S. had not made it public, thereby forcing the Japanese government to act. The Japanese are even inclined to see the entire affair as a sinister U.S. plot designed to place Japan in a difficult position.

The Japanese are still doubtful that the machine tools sold by Toshiba Machine really helped the Soviets make quieter submarines. There has been a flurry of reports that suggest an absence of firm evidence. The question, then, is why the Japanese did not try to assert such doubt, instead of quickly accepting the American charge on the moral, administrative and juridical levels. Did they simply follow from a desire to appease the Americans, rather than from a sincere respect for the COCOM rule?

A further question concerns Japan's own philosophy and grand design for world strategy with regard to the relationship between economic power and international security. Japan's position in this respect is unclear if one concludes that the Japanese do not take COCOM seriously. Although the Japanese pretend, or like to believe, that their foreign policy is built on the Peace Constitution, they do not seem to have full confidence in its workability.

The situation is similar with regard to trade with South Africa. The best way to describe the Japanese attitude here is "reluctant compliance" under mounting international pressure, from the U.S. in particular.

How, then, can the Japanese afford to be nonchalant about security? Their negativism about military matters does not seem to be based on a positive assertion of the pacifist view of world affairs. The Japanese can afford to stay this way because they have left military matters and security arrangement largely to the Americans following the postwar cast of bilateral relations in the fixed roles of victor and vanquished. This explains why the Japanese react to Americans on sensitive issues of a military or moral nature with apparent indifference or even furtiveness.

Clearly, this is an area in which the Japanese and the Americans do not see eye to eye. This is potentially dangerous for the two countries' relations. The danger is particularly acute because the U.S. and Japan are the two most powerful and closely interdependent economies in the world and Japan's continuing growth as an economic power requires a major recasting of the framework of the two countries' post World War II relations.

A final item that I will include this evening, I want to point out that it is not really Japan bashing. These stories are telling what our businesses are facing and what the Japanese attitude is. My father used to tell me you could tell who your friends were by the way they acted. I do not believe they act friendly much of the time, although they say they are.

Another story from the Japan Economic Journal of April 16 shows the attitude the Japanese have if we insist on playing according to the rules, and that attitude is, namely, that they are going to get away with whatever they can.

The article is headed "Critics Fear U.S. Veto in Technology Pact," and they point out:

[From the Japan Economic Journal, Apr. 16, 1988]

CRITICS FEAR U.S. VETO IN TECHNOLOGY PACT

(By Yuko Inoue)

The basic agreement reached by Japan and the U.S. March 30 on a science and technology cooperation pact revision has raised concerns among Japanese academics and companies that the pact could lead to future concessions by Japan in sensitive high-tech development.

The primary worry is the phrase "national security considerations," which will be included in the pact as a concession to U.S. demands. The Japanese government had been opposed to the phrase, which is intended to curb the outflow of high-tech information to third countries, saying such a provision does not fit in a pact supposedly based on friendship.

Details of the broad agreement, reached by Deputy Chief Cabinet Secretary Ichiro Ozawa and U.S. Deputy Secretary of State John Whitehead in Washington on March 30, are yet to be revealed. Ozawa said that the pact will mention "national security considerations," but that it will not require any changes in current Japanese and U.S. legislation. He also said that property rights stemming from joint studies, another focal point of the eight-month negotiations, will be divided by the two countries according to which side supplied how much money, personnel and other resources.

The revision of the pact came at a time when Japan's high-tech industries are complaining about what they call "an enclosure and absorption" of high technology with military applications by the U.S. Some high-tech products developed and used in Japan in consumer electronics appliances, such as charge coupled devices, an image sensor used in VTRs, are considered sensitive military technology in the U.S. Yukio Shimura, managing director of Kogyo Chosakai Publishing Co., anticipates serious technology friction in the area of superconductors, for instance. Battery storage devices and electromagnetic ship propelling systems based on superconductive technology now being studied actively by the private sector are considered sensitive military technology.

Meanwhile, government officials involved in negotiating the revision of the science and technology pact say the agreement would not introduce big changes in the way research is done in Japan and how it is transferred from the country, because Japan does not intend to introduce new legislation to control the outflow of technology specifically on the basis of national security.

"The new pact confirms the practice that has been going on in Japan and the U.S.," says Seigi Hinata, director at the science division of the Ministry of Foreign Affairs. Another official at the Science and Technology Agency says the pact's primary objective is to promote the development and dif-

fusion of technology, but that it includes a clause that, in exceptional cases with national security implications, the two nations should abide by their respective domestic laws.

Shimura, however, says the pact should be considered in connection with the recent Japan-U.S. consent to strengthen the agreement on defense patent rights, under which Japan is obliged to uphold the secrecy of military technology patents in Japan that are held in confidence by order of the U.S. Pentagon.

"The most probable outcome of the concession in the latest negotiations is that Japan will simply have to comply with U.S. requests for strengthening control over technology transfer in the future," he said. He reasoned that Japan's bargaining power in negotiations with the U.S. is weak, because of its special status—being placed under the military umbrella of the U.S.

I think we have reason to question such a pact, that we could depend on such a pact and that the secrets would be retained within the boundaries of the two countries because of friendship. We have seen other signs that this is not true.

It points out also that the new pact confirms the practice that has been going on in Japan and the United States, namely, that in science and technology the pact's primary objective is to promote the development and diffusion of technology, but that it includes a clause that in exceptional cases with national security implications, the two nations should abide by their respective domestic laws. That, of course, raises big questions in this country.

This points up one other item, Mr. Speaker, in connection with the Defense authorization bill which are considering on the floor this week, namely, of stopping the sale of the Aegis missile cruiser to Japan, or at least make it impossible for them to have the technology at hand by giving them the technology and then letting them build the ship parts so that they would have to get into the technololgy early on and would be able to reverse engineering. We have seen here in some of the articles that I have read about how clever they are in reverse engineering. We must protect what we have, at least at this point, what has not been stolen from us already or taken from us.

I would hope that when Chairman BENNETT's amendment on the Defense authorization bill concerning the Aegis is brought up on the floor that my colleagues will support it.

Once again, I just want to point out that this technology is very, very vital to the United States of America.

ACID RAIN LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont [Mr. JEFFORDS] is recognized for 60 minutes.

Mr. JEFFORDS. Mr. Speaker, it was only a few moments ago that we had the honor of listening to the Prime Minister of our neighbor to the north, Mr. Mulroney. I found myself quite inspired by the gentleman and inspired by his remarks. I would like to talk and comment on two of the issues which he brought up. First of all, I would like to take a look at his comments on acid rain and then, second, talk about the Canadian Trade Agreement.

I would like to reiterate his note of urgency on this issue, because it's time for this Congress to deal head on with this devastating environmental problem. Our lakes and streams and trees can wait no longer for relief from the highly acidic precipitation that bathes them in death and destruction.

We are doing everything we can to clean up our own act—we have concluded agreements with our provinces to reduce acid rain emissions in Eastern Canada to half their 1980 levels by the year 1994. But that is only half the solution—because the other half of our acid rain comes across the border, directly from the United States, falling upon our forests, killing our lakes, soiling our cities.

The one thing acid rain does not do is discriminate. It is despoiling your environment as inexorably as it is ours. It is damaging your environment from Michigan to Maine, and threatens marine life on the Eastern Seaboard.

It is a rapidly escalating ecological tragedy in this country as well. Just imagine the damage to tourism and recreation; to timber stands and fishing streams; to your precious heritage—if this is not stopped.

We acknowledge responsibility for some of the acid rain that falls in the United States, and by the time our program reaches projected targets, our export of acid rain to the U.S. will have been cut by an amount in excess of 50 percent. We ask nothing more than this from you.

I was appalled to read in today's paper that, at a time when we are pushing hard for Congress to reduce acid rain pollution, our negotiators in Geneva are pushing hard to increase it. This is unacceptable and unconscionable. We should be achieving further reductions in these emissions—not increasing emissions.

Last year we extended the Clean Air Act deadlines to give us time to work out solutions and still address the issue in this session of Congress. Let's get on with it.

In the last century, underground coal miners, afraid of being killed by poisonous gases without warning, placed canaries in their mines. They knew that if the fragile bird became silent and died, then their lives, too, were in jeopardy. At that point, the time for debate and passed.

Our dead and dying trees and our dead and dying lakes are the canaries of this generation on this issue. It should be obvious to us all—the time for this debate, too, has passed. We need to act now.

We cannot rightfully call ourselves a world leader on an issue as important as this if we are leading no one. We have the opportunity, both here and in Geneva, to make historic headway in curbing acid rain. Let's do it, and stop studying whether we should.

It should not be up to Canada's Prime Minister to have to implore this Congress to do something about a pollution problem that is hurting both our countries. We ourselves should be doing something, and I would urge all my colleagues to support legislation that is pending that would address this problem.

Prime Minister Mulroney's call for cooperative action certainly has a precedent in other areas. Just recently, as the Prime Minister himself pointed out, our two countries negotiated the United States-Canadian Free Trade Agreement—an agreement that could greatly benefit the economies of both Canada and the United States.

The agreement would send a strong message to the rest of the world that we are serious about free trade and that we are willing to act to encourage trade with our friends who feel the same.

The free trade agreement is an important and historic step toward expanding international trade and removing trade barriers. We've all heard the statistics—125 billion dollars' worth of goods traded between our two countries in 1986 alone. The bottom line is a long-term commitment to free trade by the two largest trading partners in the history of the world.

And you know what? The Europeans and the Japanese are nervous. In fact, many countries that openly use unfair trade practices are nervous because the United States and Canada will be in a strong position to challenge their unfair trade practices during the Uruguay round of the GATT.

Underlying the United States-Canada Free Trade Agreement is a certain sense of confidence about our country's ability to compete in the global marketplace. We have the confidence to say to the world that we can compete—not just hold our own but expand—in a global marketplace free of restrictive trade barriers.

□ 1810

REPORT ON RESOLUTION PROVIDING FOR FURTHER CONSIDERATION OF H.R. 4264, NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 1989

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100-590) on the resolution (H. Res. 436) providing for the further consideration of the bill (H.R. 4264) to authorize appropriations for the fiscal year 1989 amended budget

request for military functions of the Department of Defense and to prescribe military personnel levels for such department for fiscal year 1989, to amend the National Defense Authorization Act for fiscal years 1988 and 1989, and for other purposes, which was referred to the House Calendar and ordered to be printed.

TENTH ANNIVERSARY OF NATIONAL CONSUMER COOPERATIVE BANK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. WYLIE] is recognized for 60 minutes.

Mr. WYLIE. Mr. Speaker, this year marks the 10th anniversary of the chartering of the National Consumer Cooperative Bank. It seems only yesterday that George Dunlop, Frank Sollars, Frank Lair, and Carl Stitzline came to Washington to sell me on the idea which resulted in legislation creating the National Consumer Cooperative Bank. Later on I was invited by the then CEO of Nationwide Insurance Cos, Dean Jeffers, to have lunch with him, John Fisher, the present CEO, George Dunlop, Frank Sollars, and Dick Bull for another discussion on the subject. I was told the chairman of the House Banking Committee Henry Reuss and Congressman ST GERMAIN would put in legislation to create the bank, if I would go on as a cosponsor and help work for its passage. They sensed that my putting in the bill without the help of REUSS and ST GERMAIN would not enhance the prospect of success in passing legislation. Also, they wanted it to have a bipartisan flavor. The House finally passed the bill by a vote of 199 to 198, so it can be said my vote made the difference. Of course, 198 others could say the same.

In the Senate, majority leader ROBERT BYRD was, of course, crucial. But so was the support of minority leader HOWARD BAKER and BOB DOLE.

After the bill was signed into law, President Carter sent up his list of names for confirmation as directors of the bank board. But one name was missing—Frank Sollars. Senator RICHARD LUGAR helped us by holding up proceedings until we could add two more places on the Board—one of which went to Frank Sollars.

Then we went through the David Stockman milestone. He didn't like the bank and axed it in the budget. With the help of 19 other Republicans we got some money to continue the bank until a proposal to privitize the bank was made attractive.

There were many more heroes but one of its biggest heroes, Frank Sollars, is stepping aside as chairman of the bank. He is being honored in Washington this week for making one of the most unique experiments of its kind a success. At my request, Gersh Gershater has sent me a paper on the National Cooperative Bank which I would refer to at this point. He writes: "Today, the bank—now known as the National Cooperative Bank [NCB]—is a private, cooperatively owned financial institution, providing commercial banking services to cooperative businesses throughout the United States and its territories.

A few years ago, an account officer at a regular commercial bank characterized the NCB as a bank that did not take deposits or open checking accounts, as a financial institution that made loans but did not borrow money, as an entity established by an act of Congress but not owned or managed by the Federal Government, and finally, as a bank that dealt only with cooperatives.

True enough. NCB's enthusiasm for the cooperative form of business makes good economic sense, in large part because of the valuable contributions that co-ops make to the standard of living in the United States. The cooperative businesses being financed by NCB are every bit as sound and eager for success as are the publicly owned, profit-oriented companies, in fact, many co-ops strive for even higher goals, because their members sense that they are more in control of their own future.

Recognizing the difficulties that consumer organizations, urban groups, and community-development institutions sometimes experienced in obtaining credit from traditional sources—commercial bankers often considered them to be relatively risky customers—the Congress acted, in August 1978, to authorize creation of the National Consumer Cooperative Bank.

The NCCB was intended to benefit consumers, and the $300 million in seed capital needed to get loan programs started was provided by the Federal Government over a 5-year span.

This program, however, was by no means designed to be some sort of "give-away" of Federal dollars—quite the contrary. Loans are made at interest rates prevailing in the financial markets, on a sound business basis.

This was an important act not-for-profit cooperatives were not authorized to borrow from the Small Business Administration and needed a lending source suited for their requirements. Under the charter of the National Consumer Cooperative Bank, it could lend only to cooperatives—excluding credit unions and mutual savings banks—that demonstrated an ability to repay borrowed funds.

An interesting feature of the enabling legislation of 1978 was the requirement that co-ops borrowing from the bank would have to buy shares in it, so that in time the startup money provided by the Federal Government would be repaid and the bank would be privatized. The Federal Government has until 2 a.m. to report been repaid-every cent.

In examining the establishment and early history of the bank, we must credit several sources.

The original concept of a bank that would raise money for loans, through the sale of bonds, debentures, and notes, was developed in the early 1970's by the Cooperative League of the USA, since then renamed the National Cooperative Business Association.

A name important in those early, conceptual days is that of Frank Sollars, from Washington Court House, OH. As a farmer, a banker, and member of the board of directors of both the Cooperative League and the Nationwide Insurance Co., Mr. Sollars had long understood the need for a financial services institution that would provide loans to qualified consumer cooperatives, coupled with technical assistance and advice and special funding arrangements for cooperatives reaching out to low-income people.

Mr. Sollars' contributions to the campaign for a National Cooperative Bank were considerable. He helped forge a coalition of 240 labor, cooperative, and public interest groups that planned strategy and coordinated testimony before the appropriate House and Senate committees, in behalf of the proposed legislation.

Following enactment of the bill into law—President Carter signed it on August 20, 1978—Frank Sollars chaired a 34-member bank implementation committee organized by the Cooperative League to insure smooth implementation of the new law.

The overriding intent from the beginning was thoughtful, precise design of the new institution, to assure the effective provision of credit and technical assistance to not-for-profit cooperative enterprises whose ownership and control lay with their member-users. In practice, the bank would act neither as a commercial bank nor as a savings institution, and it would provide financial services to groups, not to individuals.

By early 1981, when the bank had been in operation for a couple of years, it became increasingly evident that the time was ripe to get the bank off the Federal budget and proceed with the privatization envisaged in its original charter.

This was a quite difficult and complicated process—one in which Congressman CHALMERS P. WYLIE played a part, along with the distinguished chairman of the House Banking, Finance, and Urban, Affairs Committee, Fernand St Germain, of Rhode Island. "Privatization," of course meant conversion to full cooperative ownership, in which every tie between the bank

and the Federal Government was to be severed. Simply stated, the bank was to be wholly private, in fact as well as in name.

This proved to be an arduous, demanding, and intricate process. Congressman WYLIE, who ws working with the administration commented at the time, that "the process was a little more complicated than anyone had anticipated"—perhaps a masterpiece of understatement Hershater writes.

There was a huge array of questions that needed to be resolved: should a privatized co-op bank be exempt from State and local taxes? Who would be responsible to audit and examine such a bank? Should it be permitted to issue tax-exempt bonds? And a number of others questions debated at great length.

Finally, broad agreement was reached on how privatization of the bank was to be implemented. Included in the agreement were a number of key provisions:

Shares would be converted to notes;

Shareholders would elect 12 of the 15-member board—the President would appoint the remaining three;

The bank would be taxed under Federal cooperative statutes and exempt from State and local taxes, except property taxes;

The bank would not have to pay market interest until 1990 on class "A" notes that would mature on December 31, 2020;

Authority to sell shares would be broadened to include all public and private investors;

And audits and examinations would be conducted by the Farm Credit Administration and the Government Accounting Office.

After long consultations and many ups and downs Congressman ST GERMAIN called it a "perils of Pauline" serial—the legislation authorizing the privatization to bank and defining the bank's charter was approved by the Congress and signed by President Reagan.

On December 31, 1981, the National Cooperative Bank became officially privatized, totally owned by its cooperative shareholders. This was truly a first.

Special recognition should be given to John McLaughry who was then serving as Senior Policy Adviser at the White House. He summarized very well the true meaning of the privatization process. He said, "The bank, instead of being a beggar, now will be a banker. It will justify its loans. It has a substantial endowment that ought to be enough to cover the extra risks of loans to new co-ops or unproven borrowers. There weren't any losers in this deal."

Those were prophetic words. Today, the National Cooperative Bank—for the past 5 years under the dynamic leadership of President Thomas C. Condit, an executive of significant national banking experience and reputation—is the leading source of credit for the Nation's consumer, producer, and housing cooperatives. The bank's operations are conducted by a strong professional management team experienced in cooperative financing, banking, and financial management. In Tom Condit's words, "The bank is in excellent financial condition * * * it can and will continue to play a very major role in financing cooperatives."

The scope of the bank's operations has broadened noticeably in recent years. As a full-service commercial financial institution, the NCB offers an array of services comparable to banks across the country, plus specialized services designed with cooperatives in mind.

The bank can provide commercial and real estate loans, can arrange for special investment and developmental funding, and can structure a financial credit package to suit its clients' specific needs.

For example, one element of the bank, the Commercial Lending Group, extends term loans for major capital expenditures involving plant machinery and leasehold improvements, revolving loans to provide credit during expanded funding periods, letters of credit, and lines of credit to finance short-term businesses fluctuations.

Cooperatives that have utilized these services—from Anchorage to Orlando—include manufacturers, wholesale florists, employee-owned businesses operating under the employee stock ownership plan [ESOP's], food wholesalers, health maintenance organizations, cable systems, shared service cooperatives such as hospitals and credit unions, consumer-owned cooperative corporations, native American and tribal-owned businesses, and others.

Similarly, the bank's business development division works to investigate new markets for the bank and its subsidiaries and to devise new products and services. These activities promote the growth of the bank itself and enhance the number and quality of cooperative businesses.

The services provided by the business development division—application of the cooperative model, investment advisory services, financial consulting, and technical assistance—have been of great help to such cooperative growth industries as retirement housing, child care, health care, telecommunications, cooperative commercial real estate, and employee-owned businesses [ESOP's].

The bank also operates through several subsidiaries. The NCB Business Credit Corporation, for example, is earmarked to provide specialized corporate financial support for the cooperative marketplace.

The corporation augments other bank lending activities through such activities as asset-based lending, leasing, project financing, public and private debt placement, factoring, and mergers and acquisitions—especially employee-owned business transactions.

By using the Business Credit Corp., cooperatives can acquire upgraded data processing hardware, state-of-the-art medical analysis equipment, or a fleet of tractor-trailers. In this way, the corporation's cooperative customers fill their business needs, while concurrently reducing their cost-of-funds. Through creative lease arrangements, the corporation helps its customers benefit from available tax advantages that would otherwise not be possible.

Another bank subsidiary that performs specialized functions is the NCB Mortgage Corp., the mortgage banking arm of the bank's real estate group, serving all real estate loans originated by the bank and the Share Loan Service Corp. [SLSC]. In addition, the NCB Mortgage Corp. acts as the conduit for the sale of bank and Share Loan Service Corp. loans to secondary market investors, including the Federal National Mortgage Association ["Fannie Mae"], the Federal Home Loan Mortgage Corporation ["Freddie Mac"], Merrill Lynch Capital Markets, and Morgan Stanley Capital, Inc.

This ability to access secondary capital markets effectively, and to service cooperative loans efficiently, uniquely positions the NCB Mortgage Corp. as the leading mortgage banker in cooperative real estate.

The Share Loan Service Corp. just referred to is a cooperatively owned corporation that provides financing to individual members of housing cooperatives. The National Cooperative Bank is a minority shareholder in the Share Loan Service Corp. and manages its affairs through a contract with the corporation's board of directors.

The Share Loan Service Corp. continues to expand its retail network of eight State and the District of Columbia correspondent agents actively involved in providing financing to existing and new cooperative housing buyers. The corporation can originate loans from a minimum of $15,000 to a maximum of $2 million. SLSC has a full range of adjustable and fixed-rate products to serve individual buyer needs.

Another important subsidiary of the bank is the NCB Capital Corp., which does all borrowing on the bank's behalf, in both national and international money markets. This corporation augments the funds gained through the investment practices of the bank's main financial division and is responsible for maintaining the National Cooperative Bank's presence in money centers throughout the world.

Mr. Speaker, there is much more that could be said about the National

Cooperative Bank and the vital role that it plays in the cooperative community of America. Suffice it at this point to observe that the bank's record since 1982 argues persuasively that it represents a textbook case of privatization of a Federal agency, in an exceptionally competent and praiseworthy fashion.

If one may paraphrase Voltaire, "If the National Cooperative Bank did not exist, we would have to invent it."

Finally, Mr. Speaker, it is useful to project into the 1990's the bank's probable posture and scope of operations.

The bank expects to have $500 million in loans outstanding to cooperatives by 1990 and to be servicing an additional $500 million of cooperative loans sold to institutional investors.

Cooperative ventures take many forms. In the 1990's economic realities will move organizations and individuals in this country toward increased need for some form of "cooperative" arrangement to respond to the challenges associated with rapidly shifting markets, new competition, and endless technological change.

At the same time, employee-owned businesses [ESOP's] and groups of tenants purchasing their homes through cooperative associations mean that more and more of our citizens will have the opportunity to participate fully in the American economy.

The National Cooperative Bank is an organization in which we can all take pride. It is accomplishing the important goals we set for it, while at the same time accepting and thriving under the disciplines placed on it by the private capital markets.

Mr. Speaker, the National Cooperative Bank is a classic example of the success of the American free-enterprise system. I want to extend personal congratulations to all those in Washington this week for the annual meeting of the National Cooperative Bank. And to say you are persons of vision. It was a pleasure to be associated and work with you in this exciting venture.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DUNCAN (at the request of Mr. MICHEL), from Tuesday, April 26 until an indefinite period, on account of medical reasons.

Mr. JACOBS (at the request of Mr. JACOBS), for April 28 and 29, on account of family problems.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BAKER of Louisiana) to revise and extend their remarks and include extraneous material:)

Mr. WYLIE, for 60 minutes, today.

Mr. MCEWEN, for 5 minutes, today.

(The following Members (at the request of Mr. GRAY of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, on April 29.

Mr. GONZALEZ, for 60 minutes, on May 2.

Mr. ANNUNZIO, for 60 minutes, on May 3.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BAKER of Louisiana) and to include extraneous matter:)

Mr. LUJAN.

Mr. WELDON.

Mr. LENT.

Mr. GREEN.

Mr. CRANE in two instances.

Mr. GEKAS.

Mr. GOODLING.

Mr. RITTER.

Mr. ROWLAND of Connecticut in two instances.

Mr. HYDE.

Mr. DIOGUARDI in four instances.

Mrs. JOHNSON of Connecticut.

Mr. MCDADE.

Mrs. MORELLA.

(The following Members (at the request of Mr. GRAY of Illinois) and to include extraneous matter:)

Mr. KANJORSKI.

Mr. HOYER.

Mr. DOWNEY of New York.

Mr. WOLPE.

Mr. SIKORSKI.

Ms. OAKAR.

Mr. CAMPBELL.

Mr. SOLARZ.

Mr. BORSKI.

Mr. FLORIO.

Mr. LANTOS in two instances.

Mr. MATSUI.

Mr. COLEMAN of Texas.

Mr. RANGEL.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2139. An act for the relief of John H. Teele;

H.R. 3971. An act to establish procedures to implement the Convention on the Civil Aspects of International Child Abduction, done at The Hague on October 25, 1980, and for other purposes;

H.J. Res. 421. Joint resolution designating May 1988 as "National Digestive Disease Awareness Month";

H.J. Res. 508. Joint resolution designating May 1988 as "Older Americans Month"; and

H.J. Res. 541. Joint resolution commending the State of Israel and its people on the occasion of the fortieth anniversary of the reestablishment of the independent State of Israel.

ADJOURNMENT

Mr. WYLIE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 35 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, April 28, 1988, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3488. A letter from the Deputy Secretary of Defense, urging action on legislation proposed earlier this year to provide additional flexibility to solve the problems the Department is facing in the military personnel and operation and maintenance appropriations; to the Committee on Appropriations.

3489. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed letter(s) of offer to Saudi Arabia for Defense Articles estimated to cost $50 million or more (Transmittal No. 88-18), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

3490. A letter from the Secretary of the Air Force, transmitting a copy of the detailed unit cost report which addresses the increase in cost by more than 15 percent over the baseline unit cost on the Titan IV Program on which notification was previously forwarded (Ex. Com. No. 3219), pursuant to 10 U.S.C. 2431(b)(3)(A); to the Committee on Armed Services.

3491. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to authorize appropriations for the U.S. Mint, for fiscal years 1989 and 1990, and for other purposes, pursuant to 31 U.S.C. 1110; to the Committee on Banking, Finance and Urban Affairs.

3492. A letter from the Auditor, District of Columbia, transmitting a copy of the report entitled, "Fiscal Year 1987 Annual Report on Advisory Neighborhood Commissions." pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

3493. A letter from the Chairman, National Commission on Libraries and Information Science, transmitting the 16th annual report of the activities of the Commission covering the period October 1, 1986 through September 30, 1987, pursuant to 20 U.S.C. 1504; to the Committee on Education and Labor.

3494. A letter from the Secretary of the Treasury, transmitting reports from the U.S. Fish and Wildlife Service and the National Park Service on the activities of the Youth Conservation Corps Program operations in fiscal year 1987, pursuant to 16

U.S.C. 1705; to the Committee on Education and Labor.

3495. A letter from the Secretary of Education, transmitting a draft of proposed legislation to amend the Education of the Handicapped Act to revise the procedures for making preschool grants to the States, to combine the authorities for projects serving deaf-blind children and severely handicapped children, and for other purposes; to the Committee on Education and Labor.

3496. A letter from the Secretary of Labor, transmitting the Department's views on H.R. 1834; to the Committee on Education and Labor.

3497. A letter from the Assistant Administrator, Environmental Protection Agency, transmitting information on the status of the final report on its review of emergency systems for monitoring, detecting, and preventing releases for extremely hazardous substances, advising that the formal review will be delayed until May, 1988, pursuant to 42 U.S.C. 11005; to the Committee on Energy and Commerce.

3498. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to permit the Federal Communications Commission to utilize value based assignments in awarding licenses for the use of the electromagnetic spectrum; to the Committee on Energy and Commerce.

3499. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter(s) of offer to Saudi Arabia for defense services estimated to cost $325 million (Transmittal No. 88-23), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3500. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed letter(s) of offer to Saudi Arabia for defense articles and services estimated to cost $500 million (Transmittal No. 88-18), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3501. A letter from the Chairman, National Drug Policy Board, transmitting a report of the progress of the United States/Bahamas Drug Interdiction Task Force, pursuant to 21 U.S.C. 801 nt;. to the Committee on Foreign Affairs.

3502. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions by Daniel Anthony O'Donohue, of Virginia, Ambassador Extraordinary and Plenipotentiary-designate to the Kingdom of Thailand, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3503. A letter from the Administrator, Agency for International Development, transmitting the position of the Agency on H.R. 4049; to the Committee on Foreign Affairs.

3504. A letter from the Director, Office of Legislative Affairs, Agency for International Development, transmitting a report on new contracts having a total estimated cost or price in excess of $100,000 which the Agency entered into without competitive selection procedures during the period October 1, 1986 to September 30, 1987, pursuant to 22 U.S.C. 2394(a); to the Committee on Foreign Affairs.

3505. A letter from the Comptroller General, transmitting a list of the reports issued by the General Accounting Office during March 1988, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

3506. A letter from the Chairman, National Transportation Safety Board, transmitting the Board's annual report of its activities under the Freedom of Information Act during calendar year 1987, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3507. A letter from the Chairperson, Retirement Trust, Navy Resale and Services Support Office, Department of the Navy, transmitting the report for the 1986 plan year on the Navy Resale and Services Support Office retirement plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3508. A letter from the Assistant Secretary for Health, Public Health Service, Department of Health and Human Services, transmitting notification of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3509. A letter from the Chairman, Federal Election Commission, transmitting a copy of the annual report of the Commission's compliance with the Government in the Sunshine Act for calendar year 1987, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3510. A letter from the Chairman, Federal Trade Commission, transmitting a copy of the annual report of the Commission's compliance with the Government in the Sunshine Act for calendar year 1987, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3511. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3512. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3513. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3514. A letter from the Chairman, Pennsylvania Avenue Development Corporation, transmitting the Corporation's 1987 annual report: "The Second Decade—The Fifth Year", pursuant to 40 U.S.C. 880(a); to the Committee on Interior and Insular Affairs.

3515. A letter from the Chief Justice of the United States transmitting amendments to the Federal Rules of Civil Procedure adopted by the Court, pursuant to 28 U.S.C. 2072 (H.Doc. No. 100-185); to the Committee on the Judiciary and ordered to be printed.

3516. A letter from the Chief Justice of the United States transmitting amendments to the Federal Rules of Criminal Procedure adopted by the Court, pursuant to 18 U.S.C. 3771, 3772 (H.Doc. No. 100-186); to the Committee on the Judiciary and ordered to be printed.

3517. A letter from the Chief Justice of the United States transmitting amendments to the Federal Rules of Evidence adopted by the Court, pursuant to 28 U.S.C. 2076 (H.Doc. No. 100-187); to the Committee on the Judiciary and ordered to be printed.

3518. A letter from the Director, Administrative Office of the U.S. Courts, transmitting the annual report on applications for court orders made to Federal and State courts to permit the interception of wire, oral, or electronic communications during calendar year 1987, pursuant to 18 U.S.C. 2519(3); to the Committee on the Judiciary.

3519. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a copy of the report submitted by the Secretary of the Navy of his investigation into allegations of mismanagement, abuse of authority and a danger to public health and safety at the Naval Weapons Center, China Lake, CA, pursuant to 5 U.S.C. 1206(b)(5)(A); to the Committee on Post Office and Civil Service.

3520. A letter from the Executive Secretary of Defense transmitting the Department's report of procurement from small and other business firms for October 1987 through February 1988, pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

3521. A letter from the Inspector General, Department of Health and Human Services, transmitting a copy of his report entitled, "Social Security Client Satisfaction: Fiscal Year 1988"; to the Committee on Ways and Means.

3522. A letter from the Secretary of Agriculture transmitting the third quarterly commodity and country allocation table showing current programing plans for food assistance under titles I and III, for fiscal year 1988, pursuant to 7 U.S.C. 1736b(a); jointly, to the Committees on Agriculture and Foreign Affairs.

3523. A letter from the Comptroller General, General Accounting Office, transmitting a report on the financial statements of the Federal Deposit Insurance Corporation for the years ended December 31, 1987 and 1986, and reports on the Corporation's system of internal accounting controls and its compliance with laws and regulations (GAO/AFMD-88-43; April 1988); jointly, to the Committees on Government Operations and Banking, Finance and Urban Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of California: Select Committee on Children, Youth, and Families. Report on a generation in jeopardy: children and AIDS (Rept. 100-588). Pursuant to section 206 of House Resolution 12, referred to the Committees on Energy and Commerce and Education and Labor, and ordered to be printed.

Mr. ROE: Committee on Science, Space, and Technology. H.R. 4419. A bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974 (Rept. 100-589). Referred to the Committee of the Whole House on the State of the Union.

Mr. PEPPER: Committee on Rules. House Resolution 436. A resolution providing for the further consideration of H.R. 4264, a bill to authorize appropriations for the fiscal year 1989 amended budget request for military functions of the Department of Defense and to prescribe military personnel levels for such Department for fiscal year 1989, to amend the National Defense Authorization Act for Fiscal Years 1988 and

1989, and for other purposes (Rept. 100-590). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

[Omitted from the Record of Apr. 26, 1988]

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 2806. A bill to amend the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701) to permit temporary use by Federal departments and agencies of public lands controlled by the Bureau of Land Management, Department of the Interior; with amendments; referred to the Committee on Armed Services for a period ending not later than May 20, 1988, for consideration of such provisions of the bill and amendments as fall within the jurisdiction of that committee pursuant to clause 1(c), rule X (Rept. 100-587, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SCHULZE (for himself, Mr. CHENEY, Mr. SOLOMON, Mr. MORRISON of Washington, Mr. ARMEY, Mr. LAGOMARSINO, and Mr. MCEWEN):

H.R. 4470. A bill to provide for Federal monetary awards payable to persons who provide information leading to the arrest and conviction of individuals for the unlawful sale, or possession for sale, of a controlled substance or controlled substance analogue; to provide for incentive awards to States payable from certain funds arising from forfeitures under Federal drug laws; and to provide for the retirement of all U.S. notes of the denomination of $100 and their replacement with new notes in such denomination; jointly, to the Committees on the Judiciary and Banking, Finance and Urban Affairs.

By Mr. FASCELL (for himself, Mr. BONKER, Mr. MICA, Mr. BROOMFIELD, and Ms. SNOWE):

H.R. 4471. A bill to amend the Foreign Assistance Act of 1961 with respect to the activities of the Overseas Private Investment Corporation, to make supplemental authorizations of appropriations for the Board for International Broadcasting, and for other purposes; to the Committee on Foreign Affairs.

By Mr. CRAIG (for himself, Mr. MCEWEN, and Mr. HUNTER):

H.R. 4472. A bill to repeal certain provisions of law requiring the installation of transponders in all aircraft; to the Committee on Public Works and Transportation.

By Mr. DOWNEY of New York (for himself, Mr. JENKINS, Mr. RUSSO, Mr. MATSUI, Mr. MOODY, Mr. MRAZEK, Mr. HOCHBRUECKNER, Mrs. COLLINS, Mr. DELLUMS, Mr. HATCHER, Mr. MOAKLEY, Mr. WEISS, Mr. DORNAN of California, Mr. DE LUGO, Mr. MORRISON of Connecticut, Mr. LEHMAN of Florida, Mr. LANTOS, Mr. WAXMAN, Mr. BRYANT, Mr. WILSON, Mr. CAMPBELL, Mr. HALL of Ohio, Mr. LAGOMARSINO, Mr. SLATTERY, Mr. TOWNS, Mr. MARLENEE, Mr. WILLIAMS, Ms. PELOSI, Mr. ATKINS, Mr. CLAY, Mr. BUSTAMANTE, Mrs. BOXER, Mr. ERDREICH, Mr. LEVINE of California, Mr. SHAYS, Mr. RICHARDSON, Mr. LOWRY of Washington, Mr. PANETTA, Mr. GREEN, and Mr. BALLENGER):

H.R. 4473. A bill to amend the Internal Revenue Code of 1986 to exempt free lance authors, photographers, and artists from the capitalization rules added by the Tax Reform Act of 1986, and for other purposes; to the Committee on Ways and Means.

By Mrs. ROUKEMA:

H.R. 4474. A bill to provide for an extension of at least 1 year in H-1 visas for nurses whose visas expire between January 1, 1988, and September 30, 1989; to the Committee on the Judiciary.

By Mr. ROSTENKOWSKI:

H.R. 4475. A bill to terminate the provision permitting the sale of tax benefits by Alaska Native corporations; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska:

H.R. 4476. A bill to amend title 28, United States Code; to the Committee on the Judiciary.

By Mr. CAMPBELL (for himself, Mr. AKAKA, Mr. ANDERSON, Mr. ASPIN, Mrs. BENTLEY, Mr. BEVILL, Mr. BLAZ, Mrs. BOXER, Mr. BROWN of Colorado, Mr. BUNNING, Mr. CARDIN, Mr. CARR, Mr. CLARKE, Mr. COELHO, Mr. DEFAZIO, Mr. DE LUGO, Mr. DICKS, Mr. DONNELLY, Mr. ESPY, Mr. FRENZEL, Mr. FUSTER, Mr. GRAY of Illinois, Mr. GREEN, Mr. GUARINI, Mr. HATCHER, Mr. HOCHBRUECKNER, Mr. HORTON, Mr. JOHNSON of South Dakota, Mr. JONES of North Carolina, Mr. KLECZKA, Mr. KONNYU, Mr. KASTENMEIER, Mr. LANTOS, Mr. LELAND, Mr. MANTON, Mr. MARTIN of New York, Mr. MCMILLEN of Maryland, Mr. MILLER of California, Mr. MONTGOMERY, Mr. MRAZEK, Mr. MURPHY, Mr. PANETTA, Mr. PICKETT, Mr. QUILLEN, Mr. RAVENEL, Mr. RICHARDSON, Mr. ROE, Mr. SABO, Mr. SCHUETTE, Mr. SHUMWAY, Mr. SKAGGS, Mr. STAGGERS, Mr. STRATTON, Mr. UDALL, Mr. VANDER JAGT, Mrs. VUCANOVICH, Mr. WILSON, Mr. WOLF, Mr. WORTLEY, Mr. YATRON, and Mr. YOUNG of Florida):

H.J. Res. 556. A joint resolution designating January 20, 1989, as "National Skiing Day"; to the Committee on Post Office and Civil Service.

By Mr. DARDEN (for himself, Mr. PURSELL, Mr. ROBINSON, Mr. RAVENEL, Mr. FUSTER, Mr. MATSUI, Mr. TOWNS, Mr. DE LA GARZA, Mr. PARRIS, Mr. ANDERSON, Mr. SPENCE, Mr. GRANT, Mrs. PATTERSON, Mr. LEHMAN of Florida, Mrs. ROUKEMA, Mr. GRAY of Illinois, Mr. SMITH of Florida, Mr. GREEN, Mr. WOLF, Mr. WORTLEY, Mr. BLAZ, Mrs. JOHNSON of Connecticut, Mr. FOGLIETTA, Mr. HATCHER, Mr. FAUNTROY, Mr. FAWELL, Mr. KOLTER, Mrs. BOXER, Mr. BILBRAY, Mr. LEWIS of Georgia, Mr. CROCKETT, Mr. DEWINE, Mr. DEFAZIO, Mr. MCGRATH, Mr. ROE, Mr. FROST, Mr. ANNUNZIO, Mr. BIAGGI, Mr. JONES of North Carolina, Mr. LUNGREN, Mr. FAZIO, Mr. FLIPPO, Mr. EVANS, Mr. ROWLAND of Georgia, Mr. CARDIN, Mr. HENRY, Mr. CALLAHAN, Mr. LAGOMARSINO, Mr. VANDER JAGT, Mr. HORTON, Mr. JACOBS, Mr. THOMAS of Georgia, Mr. MAZZOLI, Mr. RINALDO, Mr. SCHUETTE, Mr. LANCASTER, Mr. JENKINS, Mr. MACKAY, Mr. HUGHES, Mr. VOLKMER, Mr. CHAPMAN, Mr. DWYER of New Jersey, Ms. OAKAR, Mr. EARLY, Mr. KOSTMAYER, Mr. MONTGOMERY, Mr. BRYANT, Mr. HAMMERSCHMIDT, Mr. MRAZEK, and Mr. RAY):

H.J. Res. 557. A joint resolution to designate October 1988 as "National Down Syndrome Month"; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

326. By the SPEAKER: Memorial of the Legislature of the State of Minnesota, relative to the Employment Retirement Security Act; to the Committee on Education and Labor.

327. Also, memorial of the Legislature of the State of Idaho, relative to new Federal solid waste regulations; to the Committee on Energy and Commerce.

328. Also, memorial of the Legislature of the State of Minnesota, relative to a program of national health insurance; to the Committee on Energy and Commerce.

329. Also, memorial of the Legislature of the State of Idaho, relative to the Forest Service policy of closing gates on unimproved roads and trails on land under its jurisdiction; to the Committee on Interior and Insular Affairs.

330. Also, memorial of the General Assembly of the State of Georgia, relative to compensation for the services of Members of the U.S. Congress; to the Committee on the Judiciary.

331. Also, memorial of the Legislature of the State of Idaho, relative to use taxes on interstate sales; to the Committee on the Judiciary.

332. Also, memorial of the Legislature of the State of Alaska, relative to the budget of the U.S. Coast Guard; to the Committee on Merchant Marine and Fisheries.

333. Also, memorial of the Legislature of the State of Idaho, relative to the Federal-Aid Highway Program; to the Committee on Public Works and Transportation.

334. Also, memorial of the House of Representatives of the State of Oklahoma, relative to requesting the Corps of Engineers to construct emergency bank protection works; to the Committee on Public Works and Transportation.

335. Also, memorial of the Legislature of the State of Minnesota, relative to stage 3 aircraft; to the Committee on Public Works and Transportation.

336. Also, memorial of the Legislature of the State of Idaho, relative to nuclear power; to the Committee on Science, Space, and Technology.

337. Also, memorial of the Legislature of the State of Colorado, relative to diesel fuel for off-highway use; to the Committee on Ways and Means.

338. Also, memorial of the General Assembly of the State of Colorado, relative to national demographic projects of the elderly; to the Committee on Ways and Means.

339. Also, memorial of the Senate of the Commonwealth of Pennsylvania, relative to the Budget Reconciliation Act of 1987; to the Committee on Ways and Means.

340. Also, memorial of the Legislature of the State of Idaho, relative to diesel fuel excise taxes; to the Committee on Ways and Means.

341. Also, memorial of the Legislature of the State of Minnesota, relative to diesel fuel tax exemptions; to the Committee on Ways and Means.

342. Also, memorial of the Legislature of the State of Minnesota, relative to farmer-owned reserve grains; jointly, to the Committees on Agriculture and Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. CRAIG introduced a bill (H.R. 4477) for the relief of Mr. Wilhelm Jahn Schlechter, Mrs. Monica Pino Schlechter, Ingrid Daniela Schlechter, and Arturo David Schlechter; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 592: Mr. TAUKE, Mr. WOLPE, Mr. FUSTER, Mr. BARNARD, Mr. HATCHER, and Mr. MCEWEN.

H.R. 1016: Mr. SOLOMON.

H.R. 1201: Mr. BONKER.

H.R. 1531: Mr. LIVINGSTON, Mr. SWINDALL, Mr. LEHMAN of Florida, and Mr. COATS.

H.R. 1587: Mrs. COLLINS.

H.R. 1638: Mr. SHAYS, Mr. APPLEGATE, Mr. GILMAN, and Mr. RAVENEL.

H.R. 1663: Mr. BRENNAN and Mr. MCCLOSKEY.

H.R. 1782: Mr. BROOKS.

H.R. 1810: Mr. YOUNG of Alaska.

H.R. 2181: Mr. SCHUETTE, Mr. VANDER JAGT, and Mr. MARLENEE.

H.R. 2509: Mr. MAVROULES, Mr. KANJORSKI, Mr. SAXTON, Mr. VENTO, and Mr. SKAGGS.

H.R. 2667: Mr. LEWIS of Georgia.

H.R. 2676: Mr. OBERSTAR.

H.R. 2762: Mr. COELHO, Ms. SLAUGHTER of New York, and Mr. FLAKE.

H.R. 2800: Mr. LEHMAN of California, Mr. CLEMENT, and Mr. DANNEMEYER.

H.R. 2854: Mr. FORD of Michigan.

H.R. 2883: Mr. LAGOMARSINO.

H.R. 3044: Mr. SIKORSKI.

H.R. 3071: Mr. DE LUGO.

H.R. 3119: Mr. SMITH of Texas and Mr. VENTO.

H.R. 3133: Mr. MORRISON of Connecticut and Mr. BRYANT.

H.R. 3175: Mr. BRYANT and Mr. KOLTER.

H.R. 3215: Mr. SMITH of New Hampshire.

H.R. 3241: Mr. LELAND.

H.R. 3314: Mr. CROCKETT, Mr. TOWNS, Mrs. BOXER, Mr. GUARINI, Mr. SHAW, Mr. WHEAT, Mr. ORTIZ, Mr. OWENS of New York, and Mr. LEACH of Iowa.

H.R. 3334: Mr. UPTON, Mr. MOODY, Mr. BRYANT, and Mrs. BYRON.

H.R. 3351: Mr. FIELDS.

H.R. 3363: Mr. OWENS of New York.

H.R. 3382: Mr. EVANS.

H.R. 3390: Mr. SMITH of New Hampshire, Mr. BLAZ, Mr. HERGER, and Mr. MACK.

H.R. 3445: Mr. BONIOR of Michigan, Mr. TAUKE, and Mr. MICHEL.

H.R. 3490: Mr. DIOGUARDI.

H.R. 3501: Mrs. JOHNSON of Connecticut.

H.R. 3593: Ms. PELOSI, Mr. KOSTMAYER, and Mr. DE LUGO.

H.R. 3603: Mr. BRUCE.

H.R. 3619: Mr. FOGLIETTA.

H.R. 3628: Mr. BADHAM, Mr. GRAY of Illinois, Mr. DURBIN, Mr. SMITH of New Hampshire, Mr. SWIFT, Mr. HARRIS, Mr. ROWLAND of Georgia, Mr. DOWDY of Mississippi, and Mr. JOHNSON of South Dakota.

H.R. 3703: Mr. YOUNG of Alaska.

H.R. 3719: Mr. ROWLAND of Connecticut, Mr. LAGOMARSINO, Mrs. KENNELLY, Mrs. BOXER, Mr. BONIOR of Michigan, Mr. STOKES, Mr. MCHUGH, Mr. VENTO, Mr. SCHUETTE, Mr. GEJDENSON, Mr. BRYANT, Mr. BILIRAKIS, Mr. HALL of Ohio, Mr. HOPKINS, Mr. NEAL, Mr. COOPER, Mr. CONTE, Mr. GRAY of Pennsylvania, Mr. SCHAEFER, Mr. KOSTMAYER, Mr. KILDEE, Mr. GORDON, Mr. STENHOLM, Mr. MCEWEN, Mr. DIXON, and Mr. MCCLOSKEY.

H.R. 3769: Mrs. JOHNSON of Connecticut.

H.R. 3806: Mr. THOMAS of California, Mr. INHOFE, Mr. HAYES of Illinois, Mr. ANTHONY, Mr. JENKINS, Mr. UDALL, Mr. TOWNS, and Mr. BONKER.

H.R. 3840: Mr. DONNELLY.

H.R. 3873: Mr. PENNY and Mr. STALLINGS.

H.R. 3874: Mr. PENNY, Mr. STALLINGS, and Mr. SHARP.

H.R. 3892: Mr. DWYER of New Jersey, Mr. AKAKA, and Mr. WELDON.

H.R. 3907: Mr. LOWRY of Washington, Mr. ORTIZ, Mr. AUCOIN, Ms. KAPTUR, and Mr. VALENTINE.

H.R. 3969: Mr. JONES of North Carolina, Mr. RICHARDSON, Mr. NELSON of Florida, Mrs. SAIKI, and Mr. DE LUGO.

H.R. 4040: Mr. GARCIA, Mr. LEHMAN of California, Ms. PELOSI, Mr. RANGEL, Mr. PEPPER, Mr. ESPY, Mr. FROST, Mr. STUDDS, Mr. FOGLIETTA, Mr. KOLBE, Mr. DE LUGO, Mr. MATSUI, and Mr. AKAKA.

H.R. 4044: Mr. GLICKMAN.

H.R. 4066: Mr. MCEWEN and Mr. SOLARZ.

H.R. 4071: Mr. DELLUMS.

H.R. 4088: Mr. LIPINSKI.

H.R. 4105: Mr. SMITH of New Jersey.

H.R. 4107: Mr. BOEHLERT, Mr. BONKER, Mr. ESPY, Mr. KILDEE, Mr. ORTIZ, Mr. PERKINS, Mr. RICHARDSON, and Mr. SOLARZ.

H.R. 4111: Mr. GRAY of Illinois, Mr. EVANS, Mr. DWYER of New Jersey, Mr. CHAPMAN, and Mr. LELAND.

H.R. 4114: Mrs. BOXER, Mr. FAUNTROY, Mr. CLAY, Mr. CHAPMAN, Mr. COELHO, and Mr. GRAY of Illinois.

H.R. 4150: Mr. BORSKI, Mr. MFUME, Mr. ALEXANDER, Mr. TRAFICANT, Mr. WEISS, Mr. BIAGGI, Mr. WORTLEY, Mr. MOLLOHAN, Mr. MATSUI, Mr. OBERSTAR, Mr. ESPY, Mr. SYNAR, Mr. HAYES of Louisiana, Mrs. COLLINS, Mr. ROWLAND of Georgia, Mr. FLAKE, Mr. LAFALCE, Mr. RODINO, Mr. MARTIN of New York, Mr. PEPPER, Mr. ROBERTS, Mr. HOPKINS, Mr. BERMAN, Mr. TORRICELLI, Mr. GEJDENSON, Mr. MCMILLEN of Maryland, Mr. KILDEE, Mrs. VUCANOVICH, Mr. BONIOR of Michigan, Mr. CROCKETT, Mr. WYDEN, Mr. BONKER, Mr. LOWRY of Washington, Mr. NIELSON of Utah, Ms. PELOSI, Mr. DWYER of New Jersey, Mr. CARDIN, Mr. LEHMAN of California, Mr. CLARKE, Mr. ENGLISH, Mr. ORTIZ, Mr. MCDADE, Mr. HENRY, Mr. WATKINS, Mr. BROWN of California, Mr. DICKS, Mr. UDALL, Mr. SUNIA, Mr. THOMAS of Georgia, Mr. MADIGAN, Mr. TAUZIN, Mr. LOTT, and Mrs. SAIKI.

H.R. 4170: Mr. BARNARD, Mr. BURTON of Indiana, Mr. GORDON, Mr. HEFNER, Mr. HUTTO, Mrs. LLOYD, Mr. DONALD E. LUKENS, Mr. MAZZOLI, Mrs. MEYERS of Kansas, Mr. NIELSON of Utah, Mr. PASHAYAN, Mr. ROBINSON, Mr. ROWLAND of Georgia, Mr. SCHAEFER, and Mr. TRAXLER.

H.R. 4189: Mr. CLEMENT and Mr. HUTTO.

H.R. 4218: Mr. KONNYU, Mr. DAVIS of Illinois, and Mr. NAGLE.

H.R. 4304: Mr. TOWNS.

H.R. 4309: Mr. GARCIA.

H.R. 4353: Mr. ACKERMAN, Mr. BIAGGI, Mrs. COLLINS, Mr. COYNE, Mr. DEFAZIO, Mr. EVANS, Mr. FAUNTROY, Mr. FAZIO, Mr. FRANK, Mr. FUSTER, Mr. GINGRICH, Mr. GRAY of Illinois, Mr. LEWIS of Georgia, Mr. MARTINEZ, Mr. MURPHY, Mr. TRAFICANT, and Mr. LIPINSKI.

H.R. 4364: Mr. PERKINS, Mr. BEVILL, and Mr. DE LUGO,

H.R. 4434: Mr. SMITH of New Hampshire, Mr. GINGRICH, Mr. WALKER, Mr. BURTON of Indiana, Mr. KYL, Mr. DE LUGO, and Mr. CRAIG.

H.R. 4467: Mr. EDWARDS of Oklahoma, Mr. SMITH of New Hampshire, Mr. BARTON of Texas, Mr. BURTON of Indiana, Mr. BALLENGER, Mr. DIOGUARDI, Mr. HERGER, Mr. GINGRICH, and Mr. WEBER.

H.J. Res. 140: Mr. STUDDS.

H.J. Res. 289: Mr. BORSKI and Mr. NICHOLS.

H.J. Res. 364: Mr. DAVIS of Illinois, Mrs. COLLINS, Mr. BATES, Ms. PELOSI, and Mr. HATCHER.

H.J. Res. 422: Mr. DONALD E. LUKENS.

H.J. Res. 469: Mr. WOLPE, Mr. MCMILLEN of Maryland, Mr. BERMAN, Mr. CARPER, Mr. LELAND, Mr. DYSON, Mr. ESPY, Mr. RITTER, Mr. GREEN, Mr. DAUB, Mr. HALL of Texas, Mr. CHAPMAN, Mr. CARDIN, Mr. LOWRY of Washington, Mrs. MEYERS of Kansas, Mr. DE LA GARZA, Mr. LEHMAN of California, Mrs. MORELLA, Mr. SCHEUER, Mr. QUILLEN, Mr. GREGG, Ms. KAPTUR, Mr. SYNAR, and Mr. GONZALEZ.

H.J. Res. 476: Mrs. VUCANOVICH, Mr. MAVROULES, Mr. MCCOLLUM, Mr. BONIOR of Michigan, and Mr. BILBRAY.

H.J. Res. 502: Mr. DICKINSON.

H.J. Res. 509: Mr. HATCHER, Mr. HUGHES, Mr. EARLY, Mr. CHAPMAN, and Mr. SMITH of New Hampshire.

H.J. Res. 524: Mr. DE LUGO, Mr. MCEWEN, Mr. GARCIA, and Mr. MCMILLEN of Maryland.

H.J. Res. 526: Mr. SMITH of New Hampshire.

H.J. Res. 528: Mr. MRAZEK, Mr. HUGHES, Mr. DE LUGO, and Mr. HAYES of Louisiana.

H.J. Res. 534: Mr. HUGHES, Mr. LAGOMARSINO, Mr. CHAPMAN, Mr. LANCASTER, Mr. MCEWEN, and Mr. DAUB.

H.J. Res. 542: Mr. BONIOR of Michigan, Mr. BIAGGI, Mrs. BOXER, Mr. FAZIO, Mr. ROWLAND of Georgia, Mr. LAGOMARSINO, Mr. GRANT, Ms. KAPTUR, Mr. LEHMAN of California, Mr. MANTON, Mr. SAVAGE, Mr. TALLON, Mr. TOWNS, Mr. SKELTON, Mr. QUILLEN, Mr. HUGHES, Mr. GARCIA, Mr. HORTON, Mr. CHAPMAN, Mr. BROWN of Colorado, and Mr. MRAZEK.

H. Con. Res. 19: Mr. FAUNTROY.

H. Con. Res. 194: Mr. BLILEY and Mr. ST GERMAIN.

H. Con. Res. 280: Mr. DYSON, Mr. LANCASTER, Mr. CHAPMAN, Mr. DEFAZIO, Mr. RANGEL, Mr. GARCIA, Mr. BRYANT, Mrs. BOXER, and Mr. SCHEUER.

H. Con. Res. 283: Mr. CHAPPELL, Mr. BADHAM, Mr. HATCHER, Mr. QUILLEN, Mr. WORTLEY, Mrs. VUCANOVICH, Mr. BUNNING, Mr. SOLOMON, Mr. STRATTON, Mr. BATEMAN, Mr. SAXTON, Mr. SKELTON, Mr. STUMP, Mr. HARRIS, and Mr. LIPINSKI.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

159. By the Speaker: Petition of the council of the city of New York, NY, relative to

mass transit systems; to the Committee on Public Works and Transportation.

160. Also, petition of Joseph A. Williams, Jr., Broken Arrow, Oklahoma, relative to Veterans medical records; to the Committee on Veterans' Affairs.