

filed with the federal government are eliminated.

#### COMMON CARRIAGE

On June 1, 1997, a new and separate system for common and contract carriage takes effect. Under the common carriage regime, common carriers and conferences will be required to make available a schedule of transportation rates which shall include the rates, terms, and conditions for transportation services not governed by an ocean transportation contract. Upon the request of any person, the schedule of transportation rates shall be provided to the requesting person in writing. Common carriers and conferences may assess a reasonable charge for providing the schedule in writing; however, the charge may not exceed the cost of providing the information requested. Any disputes concerning the applicability of the rates, terms, and conditions provided, or any claim involving false billing, false classification, false weighing, false report of weight, or false measurement must be decided in State or Federal court.

#### CONTRACT CARRIAGE

The new legislation eliminates completely the rules and requirements pertaining to service contracts and establishes a broad and deregulated system of ocean transportation contracts. Under this system, one or more common carriers or a conference may enter into an ocean transportation contract with one or more shippers (as discussed below the definition of shipper has been expanded to include shippers' associations and ocean freight forwarders that accept responsibility for the payment of the ocean freight). The duties of the parties to an ocean transportation contract are limited to the duties specified by the terms of the contract, and ocean transportation contracts may not be challenged on the grounds that the contract violates a provision of the Act. The exclusive remedy for an alleged breach of an ocean transportation contract is an action in State or Federal court.

Ocean transportation contracts are not required to be filed with the federal government as are service contracts, and on January 1, 1998, such contracts may be made on a confidential basis, upon agreement of the parties. Also effective on January 1, 1998 is a requirement that members of a conference agreement may not be prohibited or restricted from agreeing with one or more shippers that the parties to the contract will not disclose the rates, services, terms, or conditions of that contract to any other member of the agreement, to the conference, to any other carrier, shipper, conference, or to any other third party.

#### INDEPENDENT ACTION ON CONTRACTS

On January 1, 1997, authorization is provided to the members of conference agreements to enter individual and independent contracts and, on June 1, 1997, the requirement that conferences may not prohibit or restrict conference members from engaging in individual negotiations for contracts and may not issue mandatory rules affecting individual contracts is implemented. However, a conference may require that a member of the conference disclose the existence of an individual contract or negotiations for a contract when the conference enters negotiations for a contract with the same shipper.

#### INDEPENDENT ACTION ON CONFERENCE RATES

On June 1, 1997, the notice requirements concerning independent action on conference common carriage rates is reduced from 10 calendar days to 3 business days.

#### CHANGES TO PROHIBITED ACTS

All prohibited acts related to rebating are stricken from the Shipping Act on January

1, 1997, and a new antidiscrimination provision is added that prohibits unreasonable discrimination by one or more common carriers against a person, place, port, or shipper, except when entering ocean transportation contracts.

On June 1, 1997, several other prohibitions concerning discrimination are stricken as is the restriction on the use of loyalty contracts. However, prohibitions concerning retaliation by carriers, the employment of fighting ships unreasonable refusals to deal, refusals to negotiate with shippers' associations, the acceptance of cargo or contracts with non-licensed and bonded ocean freight forwarders, and improper disclosure of information are retained. The legislation adds a new and controversial prohibited act that prevents conferences from subjecting a person, place, port, class or type of shipper, or ocean freight forwarder, to unjust or unreasonable ocean contract provisions.

#### EXPANSION OF THE MEANING OF SHIPPER

The definition of shipper is expanded to include shippers' associations and ocean freight forwarders that accept responsibility for payment of the ocean freight. One of the primary purposes of this change was to ensure that shippers' associations and ocean freight forwarders could enter ocean transportation contracts under the new contract carriage scheme established by the legislation. This change will also afford certain protections to such entities that traditionally have been limited to shippers.

#### OCEAN FREIGHT FORWARDERS/NVOCCS

The new Act collapses the definition of non-vessel-operating common carriers ("NVOCCs") into the definition of ocean freight forwarders and requires all United States ocean freight forwarders to obtain a license and bond (or other surety). This change effectively eliminates the confusing legal distinctions between various types of third parties who perform similar or related functions.

#### OTHER CHANGES TO DEFINITIONS

The definitions of certain terms that are no longer relevant or necessary under the new statutory scheme are stricken (i.e. "deferred rebates," "bulk cargo," "forest products," "loyalty contracts" and "service contracts") and a new definition for "ocean transportation contracts" is added.

#### CONTROLLED CARRIERS AMENDMENTS

All requirements that controlled carriers file tariffs with the FMC are eliminated by the new legislation. Additionally, a new provision is added to this section of the '84 Shipping Act that would expand the application of rate scrutiny to not only controlled carriers but to "ocean common carriers that have been determined by the Secretary to be structurally or financially affiliated with nontransportation entities or organizations (government or private) in such a way as to affect their pricing or marketplace behavior in an unfair, predatory, or anticompetitive way that disadvantages United States carriers." The Secretary may make such a determination upon the request of any person or upon his own motion. This provision has been strongly criticized by many foreign carriers.

#### MARINE TERMINAL OPERATOR SCHEDULES

In order to address concerns raised by the ports and other providers of terminal services relative to the elimination of tariff enforcement, a provision is included in the Act that would require marine terminal operators to make a schedule of rates, regulations, and practices available to the public. This schedule shall be enforceable as an implied contract, without proof of actual knowledge of its provisions, for any activity taken by

the operator to— (1) efficiently transfer property between transportation modes; (2) protect property from damage or loss; (3) comply with any governmental requirement; or (4) store property in excess of the terms of any other contract or agreement, if any, entered into by the marine terminal operator.

#### POLICY REGARDING FOREIGN GOVERNMENTS' OWNERSHIP AND CONTROL OF OCEAN COMMON CARRIERS

The Secretary of Transportation is required under the Act to implement a negotiation strategy to persuade foreign governments to divest themselves of ownership and control of ocean common carriers. The Secretary must develop and submit such strategy to Congress no later than January 1, 1997.

#### OTHER AMENDMENTS

Technical and conforming changes were made to the Penalties section of the 1984 Shipping Act and the Foreign Laws and Practices Act. In addition, the requirement concerning anti-rebating certificates is eliminated.

#### ADDITIONAL COSPONSORS

##### S. 581

At the request of Mr. FAIRCLOTH, the names of the Senator from Oklahoma [Mr. NICKLES], the Senator from Montana [Mr. BURNS], and the Senator from Tennessee [Mr. FRIST] were added as cosponsors of S. 581, a bill to amend the National Labor Relations Act and the Railway Labor Act to repeal those provisions of Federal law that require employees to pay union dues or fees as a condition of employment, and for other purposes.

##### S. 607

At the request of Mr. WARNER, the names of the Senator from Colorado [Mr. CAMPBELL] was added as cosponsor of S. 607, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify the liability of certain recycling transactions, and for other purposes.

At the request of Mr. PRYOR, the names of the Senator from Oklahoma [Mr. INHOFE] and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of S. 881, a bill to amend the Internal Revenue Code of 1986 to clarify provisions relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

##### S. 1028

At the request of Mrs. KASSEBAUM, the names of the Senator from Alaska [Mr. STEVENS] and the Senator from Kentucky [Mr. MCCONNELL] were added as cosponsors of S. 1028, a bill to provide increased access to health care benefits, to provide increased portability of health care benefits, to provide increased security of health care benefits, to increase the purchasing power of individuals and small employers, and for other purposes.

S. 1088

At the request of Mr. COHEN, the names of the Senator from Georgia [Mr. NUNN], the Senator from Vermont [Mr. JEFFORDS], and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of S. 1088, a bill to provide for enhanced penalties for health care fraud, and for other purposes.

S. 1322

At the request of Mr. DOLE, the names of the Senator from Tennessee [Mr. THOMPSON], the Senator from Washington [Mrs. MURRAY], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from California [Mrs. FEINSTEIN], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of S. 1322, a bill to provide for the relocation of the United States Embassy in Israel to Jerusalem, and for other purposes.

S. 1323

At the request of Mr. DOLE, the names of the Senator from Tennessee [Mr. THOMPSON], the Senator from North Dakota [Mr. DORGAN], and the Senator from Washington [Mrs. MURRAY] were added as cosponsors of S. 1323, a bill to provide for the relocation of the United States Embassy in Israel to Jerusalem, and for other purposes.

#### AMENDMENTS SUBMITTED

#### THE JERUSALEM EMBASSY RELOCATION IMPLEMENTATION ACT OF 1995

##### DORGAN AMENDMENT NO. 2940

Mr. DORGAN proposed an amendment to the bill (S. 1322) to provide for the relocation of the United States Embassy in Israel to Jerusalem, and other purposes; as follows:

At the appropriate place, add the following new section:

##### SEC. . SENSE OF THE SENATE ON BUDGET PRIORITIES.

(a) FINDINGS.—The Senate finds that—

(1) the concurrent resolution on the budget for fiscal year 1996 (H. Con. Res. 67) calls for \$245 billion in tax reductions and \$270 billion in projected spending reductions from Medicare;

(2) reducing projected Medicare spending by \$270 billion could substantially increase out-of-pocket health care costs for senior citizens, reduce the quality of care available to Medicare beneficiaries and threaten the financial health of some health care providers, especially in rural areas;

(3) seventy-five percent of Medicare beneficiaries have annual incomes of less than \$25,000;

(4) most of the tax cuts in the tax bill passed by the House of Representatives (H.R. 1215) go to families making over \$100,000 per year, according to the Office of Tax Analysis of the United States Department of the Treasury.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Senate should approve no tax legislation which reduces taxes for those making over \$250,000 per year; and

(2) the savings from limiting any tax reductions in this way should be used to reduce any cuts in projected Medicare spending.

##### DOLE AMENDMENT NO. 2941

Mr. DOLE proposed an amendment to the bill S. 1322, supra; as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

##### SECTION 1. SHORT TITLE.

This Act may be cited as the "Jerusalem Embassy Act of 1995".

##### SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) Each sovereign nation, under international law and custom, may designate its own capital.

(2) Since 1950, the city of Jerusalem has been the capital of the State of Israel.

(3) The city of Jerusalem is the seat of Israel's President, Parliament, and Supreme Court, and the site of numerous government ministries and social and cultural institutions.

(4) The city of Jerusalem is the spiritual center of Judaism, and is also considered a holy city by the members of other religious faiths.

(5) From 1948–1967, Jerusalem was a divided city and Israeli citizens of all faiths as well as Jewish citizens of all states were denied access to holy sites in the area controlled by Jordan.

(6) In 1967, the city of Jerusalem was reunited during the conflict known as the Six Day War.

(7) Since 1967, Jerusalem has been a united city administered by Israel, and persons of all religious faiths have been guaranteed full access to holy sites within the city.

(8) This year marks the 28th consecutive year that Jerusalem has been administered as a unified city in which the rights of all faiths have been respected and protected.

(9) In 1990, the Congress unanimously adopted Senate Concurrent Resolution 106, which declares that the Congress "strongly believes that Jerusalem must remain an undivided city in which the rights of every ethnic and religious group are protected".

(10) In 1992, the United States Senate and House of Representatives unanimously adopted Senate Concurrent Resolution 113 of the One Hundred Second Congress to commemorate the 25th anniversary of the reunification of Jerusalem, and reaffirming congressional sentiment that Jerusalem must remain an undivided city.

(11) The September 13, 1993, Declaration of Principles on Interim Self-Government Arrangements lays out a timetable for the resolution of "final status" issues, including Jerusalem.

(12) The Agreement on the Gaza Strip and the Jericho Area was signed May 4, 1994, beginning the five-year transitional period laid out in the Declaration of Principles.

(13) In March of 1995, 93 members of the United States Senate signed a letter to Secretary of State Warren Christopher encouraging "planning to begin now" for relocation of the United States Embassy to the city of Jerusalem.

(14) In June of 1993, 257 members of the United States House of Representatives signed a letter to the Secretary of State Warren Christopher stating that the relocation of the United States Embassy to Jerusalem "should take place no later than . . . 1999".

(15) The United States maintains its embassy in the functioning capital of every country except in the case of our democratic friend and strategic ally, the State of Israel.

(16) The United States conducts official meetings and other business in the city of Jerusalem in de facto recognition of its status as the capital of Israel.

(17) In 1996, the State of Israel will celebrate the 3,000th anniversary of the Jewish

presence in Jerusalem since King David's entry.

##### SEC. 3. TIMETABLE.

(a) STATEMENT OF THE POLICY OF THE UNITED STATES.—

(1) Jerusalem should remain an undivided city in which the rights of every ethnic and religious group are protected;

(2) Jerusalem should be recognized as the capital of the State of Israel; and

(3) the United States Embassy in Israel should be established in Jerusalem no later than May 31, 1999.

(b) OPENING DETERMINATION.—Not more than 50 percent of the funds appropriated to the Department of State for fiscal year 1999 for "Acquisition and Maintenance of Buildings Abroad" may be obligated until the Secretary of State determines and reports to Congress that the United States Embassy in Jerusalem has officially opened.

##### SEC. 4. FISCAL YEARS 1996 AND 1997 FUNDING.

(a) FISCAL YEAR 1996.—Of the funds authorized to be appropriated for "Acquisition and Maintenance of Buildings Abroad" for the Department of State in fiscal year 1996, not less than \$25,000,000 should be made available until expended only for construction and other costs associated with the establishment of the United States Embassy in Israel in the capital of Jerusalem.

(b) FISCAL YEAR 1997.—Of the funds authorized to be appropriated for "Acquisition and Maintenance of Buildings Abroad" for the Department of State in fiscal year 1997, not less than \$75,000,000 should be made available until expended only for construction and other costs associated with the establishment of the United States Embassy in Israel in the capital of Jerusalem.

##### SEC. 5. REPORT ON IMPLEMENTATION.

Not later than 30 days after the date of enactment of this Act, the Secretary of State shall submit a report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate detailing the Department of State's plan to implement this Act. Such report shall include—

(1) estimated dates of completion for each phase of the establishment of the United States Embassy, including site identification, land acquisition, architectural, engineering and construction surveys, site preparation, and construction; and

(2) an estimate of the funding necessary to implement this Act, including all costs associated with establishing the United States Embassy in Israel in the capital of Jerusalem.

##### SEC. 6. SEMIANNUAL REPORTS.

At the time of the submission of the President's fiscal year 1997 budget request, and every six months thereafter, the Secretary of State shall report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the progress made toward opening the United States Embassy in Jerusalem.

##### SEC. 7. PRESIDENTIAL WAIVER.

(a) WAIVER AUTHORITY.—(1) Beginning on October 1, 1998, the President may suspend the limitation set forth in section 3(b) for a period of six months if he determines and reports to Congress in advance that such suspension is necessary to protect the national security interests of the United States.

(2) The President may suspend such limitation for an additional six month period at the end of any period during which the suspension is in effect under this subsection if the President determines and reports to Congress in advance of the additional suspension that the additional suspension is necessary to protect the national security interests of the United States.

(3) A report under paragraph (1) or (2) shall include—