

area that Washington has thankfully stayed out of, leaving the issue of what type of financial assistance programs to design to the States. I wish to emphasize that the prohibition is simply designed to maintain the historic balance of State and Federal concerns, and there is no suggestion, either express or implied, that States should not set up financial assistance programs.

Mr. Speaker, this is a good bill, and I urge all of my colleagues to support H.R. 3391.

Mr. BEREUTER. Mr. Speaker, this Member rises in support of H.R. 3391, the Leaking Underground Storage Tank Amendments Act. As a cosponsor of the legislation, this Member would like to commend the distinguished gentleman from Colorado [Mr. SCHAEFER] and the distinguished gentleman from Michigan [Mr. STUPAK] for introducing this bill and working for its enactment.

Across the Nation, leaking underground storage tanks present a hazard which must be addressed. Unfortunately, less than half of the identified leaking tanks have been remedied. In addition, there are likely thousands of other unidentified leaking tanks which require action.

This legislation improves the current situation by distributing more money from the existing trust fund to the States where it belongs. The trust fund was established by Congress in 1986 and currently contains about \$1 billion. Although the trust fund is intended to provide assistance in the cleanup of underground storage tanks, far too much of the money in the trust fund has been used to offset general Federal spending.

This Member certainly believes that the money in the trust fund should be used for the purposes for which it was originally intended; money simply accumulating in the trust fund obviously does not address the current needs. The large number of remaining leaking underground storage tank sites to be addressed is evidence that the States certainly could use this money which is currently accumulating in the trust fund. This bill would assist States in more efficiently receiving and disbursing money from the trust fund. It would also give the States increased flexibility in the use of money from the trust fund.

This Member urges his colleagues to support H.R. 3391.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio [Mr. OXLEY] that the House suspend the rules and pass the bill, H.R. 3391, as amended.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4167 and H.R. 3391, as amended.

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

There was no objection.

FEDERAL EMPLOYEES EMERGENCY LEAVE TRANSFER ACT OF 1996

Mr. MICA. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 868) to provide authority for leave transfer for Federal employees who are adversely affected by disasters or emergencies, and for other purposes, as amended.

The Clerk read as follows:

S. 868

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

TITLE I—EMERGENCY LEAVE TRANSFERS

SEC. 101. SHORT TITLE.

This title may be cited as the "Federal Employees Emergency Leave Transfer Act of 1996".

SEC. 102. AUTHORITY.

(a) IN GENERAL.—Chapter 63 of title 5, United States Code, is amended by adding after subchapter V the following new subchapter:

"SUBCHAPTER VI—LEAVE TRANSFER IN DISASTERS AND EMERGENCIES

"§6391. Authority for leave transfer program in disasters and emergencies

"(a) For the purpose of this section—
"(1) 'employee' means an employee as defined in section 6331(1); and

"(2) 'agency' means an Executive agency.

"(b) In the event of a major disaster or emergency, as declared by the President, that results in severe adverse effects for a substantial number of employees, the President may direct the Office of Personnel Management to establish an emergency leave transfer program under which any employee in any agency may donate unused annual leave for transfer to employees of the same or other agencies who are adversely affected by such disaster or emergency.

"(c) The Office of Personnel Management shall establish appropriate requirements for the operation of the emergency leave transfer program under subsection (b), including appropriate limitations on the donation and use of annual leave under the program. An employee may receive and use leave under the program without regard to any requirement that any annual leave and sick leave to a leave recipient's credit must be exhausted before any transferred annual leave may be used.

"(d) A leave bank established under subchapter IV may, to the extent provided in regulations prescribed by the Office of Personnel Management, donate annual leave to the emergency leave transfer program established under subsection (b).

"(e) Except to the extent that the Office of Personnel Management may prescribe by regulation, nothing in section 7351 shall apply to any solicitation, donation, or acceptance of leave under this section.

"(f) The Office of Personnel Management shall prescribe regulations necessary for the administration of this section."

(b) CLERICAL AMENDMENT.—The analysis for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER VI—LEAVE TRANSFER IN DISASTERS AND EMERGENCIES

"§6391. Authority for leave transfer program in disasters and emergencies"

SEC. 103. EFFECTIVE DATE.

The amendments made by section 102 shall take effect on the date of enactment of this Act.

TITLE II—VETERANS' PREFERENCE

SEC. 201. SHORT TITLE.

This title may be cited as the "Veterans Employment Opportunities Act of 1996".

SEC. 202. EQUAL ACCESS FOR VETERANS.

(a) COMPETITIVE SERVICE.—Section 3304 of title 5, United States Code, is amended by adding at the end the following:

"(f)(1) No preference eligible, and no individual (other than a preference eligible) who has been separated from the armed forces under honorable conditions after 3 or more years of active service, shall be denied the opportunity to compete for an announced vacant position within an agency, in the competitive service or the excepted service, by reason of—

"(A) not having acquired competitive status; or

"(B) not being an employee of such agency.

"(2) Nothing in this subsection shall prevent an agency from filling a vacant position (whether by appointment or otherwise) solely from individuals on a priority placement list consisting of individuals who have been separated from the agency due to a reduction in force and surplus employees (as defined under regulations prescribed by the Office)."

(b) CIVIL SERVICE EMPLOYMENT INFORMATION.—

(1) VACANT POSITIONS.—Section 3327(b) of title 5, United States Code, is amended by striking "and" at the end of paragraph (1), by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following:

"(2) each vacant position in the agency for which competition is restricted to individuals having competitive status or employees of such agency, excluding any position under paragraph (1), and".

(2) ADDITIONAL INFORMATION.—Section 3327 of title 5, United States Code, is amended by adding at the end the following:

"(c) Any notification provided under this section shall, for all positions under subsection (b)(1) as to which section 3304(f) applies and for all positions under subsection (b)(2), include a notation as to the applicability of section 3304(f) with respect thereto.

"(d) In consultation with the Secretary of Labor, the Office shall submit to Congress and the President, no less frequently than every 2 years, a report detailing, with respect to the period covered by such report—

"(1) the number of positions listed under this section during such period;

"(2) the number of preference eligibles and other individuals described in section 3304(f)(1) referred to such positions during such period; and

"(3) the number of preference eligibles and other individuals described in section 3304(f)(1) appointed to such positions during such period."

(c) GOVERNMENTWIDE LISTS.—

(1) VACANT POSITIONS.—Section 3330(b) of title 5, United States Code, is amended to read as follows:

"(b) The Office of Personnel Management shall cause to be established and kept current—

"(1) a comprehensive list of all announcements of vacant positions (in the competitive service and the excepted service, respectively) within each agency that are to be filled by appointment for more than 1 year and for which applications are being or will soon be accepted from outside the agency's work force; and

"(2) a comprehensive list of all announcements of vacant positions within each agency for which applications are being or will soon be accepted and for which competition is restricted to individuals having competitive status or employees of such agency, excluding any position required to be listed under paragraph (1)."

(2) ADDITIONAL INFORMATION.—Section 3330(c) of title 5, United States Code, is amended by striking “and” at the end of paragraph (2), by redesignating paragraph (3) as paragraph (4), and by inserting after paragraph (2) the following:

“(3) for all positions under subsection (b)(1) as to which section 3304(f) applies and for all positions under subsection (b)(2), a notation as to the applicability of section 3304(f) with respect thereto; and”.

(3) CONFORMING AMENDMENT.—Section 3330(d) of title 5, United States Code, is amended by striking “The list” and inserting “Each list under subsection (b)”.

(d) PROVISIONS RELATING TO THE UNITED STATES POSTAL SERVICE.—

(1) IN GENERAL.—Subsection (a) of section 1005 of title 39, United States Code, is amended by adding at the end the following:

“(5)(A) The provisions of section 3304(f) of title 5 shall apply with respect to the Postal Service in the same manner and under the same conditions as if the Postal Service were an agency within the meaning of such provisions.

“(B) Nothing in this subsection shall be considered to require that the Postal Service accept an application from a preference eligible or any other individual described in paragraph (1) of such section 3304(f), who is not an employee of the Postal Service, if—

“(i) the vacant position involved is advertised for bids pursuant to a collective-bargaining agreement;

“(ii) the collective-bargaining agreement restricts competition for such position to individuals employed in the specific bargaining unit or facility within the Postal Service in which the position is located;

“(iii) the collective-bargaining agreement provides that the successful bid shall be selected solely on the basis of seniority; and

“(iv) selection does not result in a promotion or change in duties for the successful bidder.

“(C) The provisions of this paragraph shall not be modified by any program developed under section 1004 of this title or any collective-bargaining agreement entered into under chapter 12 of this title.”.

(2) CONFORMING AMENDMENT.—The first sentence of section 1005(a)(2) of title 39, United States Code, is amended by striking “title.” and inserting “title, subject to paragraph (5) of this subsection.”.

SEC. 203. SPECIAL PROTECTIONS FOR PREFERENCE ELIGIBLES IN REDUCTIONS IN FORCE.

(a) IN GENERAL.—Section 3502 of title 5, United States Code, as amended by section 1034 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 430), is amended by adding at the end the following:

“(g)(1) A position occupied by a preference eligible shall not be placed in a single-position competitive level if the preference eligible is qualified to perform the essential functions of any other position at the same grade (or occupational level) in the competitive area. In such cases, the preference eligible shall be entitled to be placed in another competitive level for which such preference eligible is qualified. If the preference eligible is qualified for more than one competitive level, such preference eligible shall be placed in the competitive level containing the most positions.

“(2) For purposes of paragraph (1)—

“(A) a preference eligible shall be considered qualified to perform the essential functions of a position if, by reason of experience, training, or education (and, in the case of a disabled veteran, with reasonable accommodation), a reasonable person could conclude that the preference eligible would be able to perform those functions successfully within a period of 150 days; and

“(B) a preference eligible shall not be considered unqualified solely because such preference eligible does not meet the minimum qualification requirements relating to previous experience in a specified grade (or occupational level), if any, that are established for such position by the Office of Personnel Management or the agency.

“(h) In connection with any reduction in force, a preference eligible whose current or most recent performance rating is at least fully successful (or the equivalent) shall have, in addition to such assignment rights as are prescribed by regulation, the right, in lieu of separation, to be assigned to any position within the agency conducting the reduction in force—

“(1) for which such preference eligible is qualified under subsection (g)(2)—

“(A) that is within the preference eligible's commuting area and at the same grade (or occupational level) as the position from which the preference eligible was released, and that is then occupied by an individual, other than another preference eligible, who was placed in such position (whether by appointment or otherwise) within 6 months before the reduction in force if, within 12 months prior to the date on which such individual was so placed in such position, such individual had been employed in the same competitive area as the preference eligible; or

“(B) that is within the preference eligible's competitive area and that is then occupied by an individual, other than another preference eligible, who was placed in such position (whether by appointment or otherwise) within 6 months before the reduction in force; or

“(2) for which such preference eligible is qualified that is within the preference eligible's competitive area and that is not more than 3 grades (or pay levels) below that of the position from which the preference eligible was released, except that, in the case of a preference eligible with a compensable service-connected disability of 30 percent or more, this paragraph shall be applied by substituting ‘5 grades’ for ‘3 grades’.

In the event that a preference eligible is entitled to assignment to more than 1 position under this subsection, the agency shall assign the preference eligible to any such position requiring no reduction (or, if there is no such position, the least reduction) in basic pay. A position shall not, with respect to a preference eligible, be considered to satisfy the requirements of paragraph (1) or (2), as applicable, if it does not last for at least 12 months following the date on which such preference eligible is assigned to such position under this subsection.

“(i) A preference eligible may challenge the classification of any position to which the preference eligible asserts assignment rights (as provided by, or prescribed by regulations described in, subsection (h)) in an action before the Merit Systems Protection Board.

“(j)(1) Not later than 3 months after the date of the enactment of this subsection, each Executive agency shall establish an agencywide priority placement program to facilitate employment placement for employees who—

“(A)(i) are scheduled to be separated from service due to a reduction in force under—

“(I) regulations prescribed under this section; or

“(II) procedures established under section 3595; or

“(ii) are separated from service due to such a reduction in force; and

“(B)(i) have received a rating of at least fully successful (or the equivalent) as the last performance rating of record used for retention purposes; or

“(ii) occupy positions excluded from a performance appraisal system by law, regulation, or administrative action taken by the Office of Personnel Management.

“(2)(A) Each agencywide priority placement program under this subsection shall include provisions under which a vacant position shall not (except as provided in this paragraph or any other statute providing the right of reemployment to any individual) be filled by the appointment or transfer of any individual from outside of that agency (other than an individual described in subparagraph (B)) if—

“(i) there is then available any individual described in subparagraph (B) who is qualified for the position; and

“(ii) the position—

“(I) is at the same grade or pay level (or the equivalent) or not more than 3 grades (or grade intervals) below that of the position last held by such individual before placement in the new position;

“(II) is within the same commuting area as the individual's last-held position (as referred to in subclause (I)) or residence; and

“(III) has the same type of work schedule (whether full-time, part-time, or intermittent) as the position last held by the individual.

“(B) For purposes of an agencywide priority placement program, an individual shall be considered to be described in this subparagraph if such individual—

“(i)(I) is an employee of such agency who is scheduled to be separated, as described in paragraph (1)(A)(i); or

“(II) is an individual who became a former employee of such agency as a result of a separation, as described in paragraph (1)(A)(ii), excluding any individual who separated voluntarily under subsection (f); and

“(ii) satisfies clause (i) or (ii) of paragraph (1)(B).

“(3)(A) If after a reduction in force the agency has no positions of any type within the local commuting areas specified in this subsection, the individual may designate a different local commuting area where the agency has continuing positions in order to exercise reemployment rights under this subsection. An agency may determine that such designations are not in the interest of the Government for the purpose of paying relocation expenses under subchapter II of chapter 57.

“(B) At its option, an agency may administratively extend reemployment rights under this subsection to include other local commuting areas.

“(4)(A) In selecting employees for positions under this subsection, the agency shall place qualified present and former employees in retention order by veterans' preference subgroup and tenure group.

“(B) An agency may not pass over a qualified present or former employee to select an individual in a lower veterans' preference subgroup within the tenure group, or in a lower tenure group.

“(C) Within a subgroup, the agency may select a qualified present or former employee without regard to the individual's total creditable service.

“(5) An individual is eligible for reemployment priority under this subsection for 2 years from the effective date of the reduction in force from which the individual will be, or has been, separated under this section or section 3595, as the case may be.

“(6) An individual loses eligibility for reemployment priority under this subsection when the individual—

“(A) requests removal in writing;

“(B) accepts or declines a bona fide offer under this subsection or fails to accept such an offer within the period of time allowed for such acceptance, or

“(C) separates from the agency before being separated under this section or section 3595, as the case may be.

A present or former employee who declines a position with a representative rate (or equivalent) that is less than the rate of the position from which the individual was separated under this section retains eligibility for positions with a higher representative rate up to the rate of the individual's last position.

“(7) Whenever more than one individual is qualified for a position under this subsection, the agency shall select the most highly qualified individual, subject to paragraph (4).

“(8) The Office of Personnel Management shall issue regulations to implement this subsection.”.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) EXCEPTION.—The amendments made by this section shall take effect with respect to the Department of Defense at the end of the 1-year period beginning on the date of the enactment of this Act.

SEC. 204. IMPROVED REDRESS FOR VETERANS.

(a) IN GENERAL.—Subchapter I of chapter 33 of title 5, United States Code, is amended by adding at the end the following:

“§ 3330a. Administrative redress

“(a) (1) Any preference eligible or other individual described in section 3304(f)(1) who alleges that an agency has violated such individual's rights under any statute or regulation relating to veterans' preference, or any right afforded such individual by section 3304(f), may file a complaint with the Secretary of Labor.

“(2) A complaint under this subsection must be filed within 60 days after the date of the alleged violation, and the Secretary shall process such complaint in accordance with sections 4322 (a) through (e)(1) and 4326 of title 38.

“(b)(1) If the Secretary of Labor is unable to resolve the complaint within 60 days after the date on which it is filed, the complainant may elect to appeal the alleged violation to the Merit Systems Protection Board in accordance with such procedures as the Merit Systems Protection Board shall prescribe, except that in no event may any such appeal be brought—

“(A) before the 61st day after the date on which the complaint is filed under subsection (a); or

“(B) later than 15 days after the date on which the complainant receives notification from the Secretary of Labor under section 4322(e)(1) of title 38.

“(2) An appeal under this subsection may not be brought unless—

“(A) the complainant first provides written notification to the Secretary of Labor of such complainant's intention to bring such appeal; and

“(B) appropriate evidence of compliance with subparagraph (A) is included (in such form and manner as the Merit Systems Protection Board may prescribe) with the notice of appeal under this subsection.

“(3) Upon receiving notification under paragraph (2)(A), the Secretary of Labor shall not continue to investigate or further attempt to resolve the complaint to which such notification relates.

“(c) This section shall not be construed to prohibit a preference eligible from appealing directly to the Merit Systems Protection Board from any action which is appealable to the Board under any other law, rule, or regulation, in lieu of administrative redress under this section.

“§ 3330b. Judicial redress

“(a) In lieu of continuing the administrative redress procedure provided under section 3330a(b), a preference eligible or other individual described in section 3304(f)(1) may elect, in accordance with this section, to terminate those administrative proceedings and file an action with the appropriate United States district court not later than 60 days after the date of the election.

“(b) An election under this section may not be made—

“(1) before the 121st day after the date on which the appeal is filed with the Merit Systems Protection Board under section 3330a(b); or

“(2) after the Merit Systems Protection Board has issued a judicially reviewable decision on the merits of the appeal.

“(c) An election under this section shall be made, in writing, in such form and manner as the Merit Systems Protection Board shall by regulation prescribe. The election shall be effective as of the date on which it is received, and the administrative proceeding to which it relates shall terminate immediately upon the receipt of such election.

“§ 3330c. Remedy

“(a) If the Merit Systems Protection Board (in a proceeding under section 3330a) or a court (in a proceeding under section 3330b) determines that an agency has violated a right described in section 3330a, the Board or court (as the case may be) shall order the agency to comply with such provisions and award compensation for any loss of wages or benefits suffered by the individual by reason of the violation involved. If the Board or court determines that such violation was willful, it shall award an amount equal to backpay as liquidated damages.

“(b) A preference eligible or other individual described in section 3304(f)(1) who prevails in an action under section 3330a or 3330b shall be awarded reasonable attorney fees, expert witness fees, and other litigation expenses.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 33 of title 5, United States Code, is amended by adding after the item relating to section 3330 the following:

“3330a. Administrative redress.

“3330b. Judicial redress.

“3330c. Remedy.”.

SEC. 205. EXTENSION OF VETERANS' PREFERENCE.

(a) AMENDMENT TO TITLE 5, UNITED STATES CODE.—Paragraph (3) of section 2108 of title 5, United States Code, is amended by striking “the Federal Bureau of Investigation and Drug Enforcement Administration Senior Executive Service, or the General Accounting Office;” and inserting “or the Federal Bureau of Investigation and Drug Enforcement Administration Senior Executive Service;”.

(b) AMENDMENTS TO TITLE 3, UNITED STATES CODE.—

(1) IN GENERAL.—Chapter 2 of title 3, United States Code, is amended by adding at the end the following:

“§ 115. Veterans' preference

“(a) Subject to subsection (b), appointments under sections 105, 106, and 107 shall be made in accordance with section 2108, and sections 3309 through 3312, of title 5.

“(b) Subsection (a) shall not apply to any appointment to a position the rate of basic pay for which is at least equal to the minimum rate established for positions in the Senior Executive Service under section 5382 of title 5 and the duties of which are comparable to those described in section 3132(a)(2) of such title or to any other position if, with respect to such position, the President makes certification—

“(1) that such position is—

“(A) a confidential or policy-making position; or

“(B) a position for which political affiliation or political philosophy is otherwise an important qualification; and

“(2) that any individual selected for such position is expected to vacate the position at or before the end of the President's term (or terms) of office.

Each individual appointed to a position described in the preceding sentence as to which the expectation described in paragraph (2) applies shall be notified as to such expectation, in writing, at the time of appointment to such position.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 2 of title 3, United States Code, is amended by adding at the end the following:

“115. Veterans' preference.”.

(c) LEGISLATIVE BRANCH APPOINTMENTS.—

(1) DEFINITIONS.—For the purposes of this subsection, the terms “employing office”, “covered employee”, and “Board” shall each have the meaning given such term by section 101 of the Congressional Accountability Act of 1995 (2 U.S.C. 1301).

(2) RIGHTS AND PROTECTIONS.—The rights and protections established under section 2108, sections 3309 through 3312, and subchapter I of chapter 35, of title 5, United States Code, shall apply to covered employees.

(3) REMEDIES.—

(A) IN GENERAL.—The remedy for a violation of paragraph (2) shall be such remedy as would be appropriate if awarded under applicable provisions of title 5, United States Code, in the case of a violation of the relevant corresponding provision (referred to in paragraph (2)) of such title.

(B) PROCEDURE.—The procedure for consideration of alleged violations of paragraph (2) shall be the same as apply under section 401 of the Congressional Accountability Act of 1995 (and the provisions of law referred to therein) in the case of an alleged violation of part A of title II of such Act.

(4) REGULATIONS TO IMPLEMENT SUBSECTION.—

(A) IN GENERAL.—The Board shall, pursuant to section 304 of the Congressional Accountability Act of 1995 (2 U.S.C. 1384), issue regulations to implement this subsection.

(B) AGENCY REGULATIONS.—The regulations issued under subparagraph (A) shall be the same as the most relevant substantive regulations (applicable with respect to the executive branch) promulgated to implement the statutory provisions referred to in paragraph (2) except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this subsection.

(C) COORDINATION.—The regulations issued under subparagraph (A) shall be consistent with section 225 of the Congressional Accountability Act of 1995 (2 U.S.C. 1361).

(5) APPLICABILITY.—Notwithstanding any other provision of this subsection, the term “covered employee” shall not, for purposes of this subsection, include an employee—

(A) whose appointment is made by the President with the advice and consent of the Senate;

(B) whose appointment is made by a Member of Congress or by a committee or subcommittee of either House of Congress; or

(C) who is appointed to a position, the duties of which are equivalent to those of a Senior Executive Service position (within the meaning of section 3132(a)(2) of title 5, United States Code).

(6) EFFECTIVE DATE.—Paragraphs (2) and (3) shall be effective as of the effective date of the regulations under paragraph (4).

(d) JUDICIAL BRANCH APPOINTMENTS.—

(1) IN GENERAL.—Subject to paragraph (2), appointments to positions in the judicial branch of the Government shall be made in accordance with section 2108, and sections 3309 through 3312, of title 5, United States Code.

(2) REDUCTIONS IN FORCE.—Subject to paragraph (2), reductions in force in the judicial branch of the Government shall provide preference eligibles with protections substantially similar to those provided under subchapter I of chapter 35 of title 5, United States Code.

(3) EXCLUSIONS.—Paragraphs (1) and (2) shall not apply to—

(A) an appointment made by the President, with the advice and consent of the Senate;

(B) an appointment as a judicial officer;

(C) an appointment as a law clerk or secretary to a justice or judge of the United States; or

(D) an appointment to a position, the duties of which are equivalent to those of a Senior Executive Service position (within the meaning of section 3132(a)(2) of title 5, United States Code).

(4) REDRESS PROCEDURES.—The Judicial Conference of the United States shall prescribe regulations under which redress procedures (substantially similar to the procedures established by the amendments made by section 204) shall be available for alleged violations of any rights provided by this subsection.

(5) DEFINITIONS.—For purposes of this subsection—

(A) the term “judicial officer” means a justice, judge, or magistrate judge listed in subparagraph (A), (B), (F), or (G) of section 376(a)(1) of title 28, United States Code; and

(B) the term “justice or judge of the United States” has the meaning given such term by section 451 of such title 28.

SEC. 206. VETERANS' PREFERENCE REQUIRED FOR REDUCTIONS IN FORCE IN THE FEDERAL AVIATION ADMINISTRATION.

Section 347(b) of the Department of Transportation and Related Agencies Appropriations Act, 1996 (109 Stat. 460) is amended by striking “and” at the end of paragraph (6), by striking the period at the end of paragraph (7) and inserting “; and”, and by adding at the end the following:

“(8) sections 3501–3504, as such sections relate to veterans' preference.”.

SEC. 207. DEFINITIONAL AMENDMENT.

Subparagraph (A) of section 2108(1) of title 5, United States Code, is amended by inserting “during a military operation in a qualified hazardous duty area (within the meaning of the first 2 sentences of section 1(b) of Public Law 104–117) and in accordance with requirements that may be prescribed in regulations of the Secretary of Defense,” after “for which a campaign badge has been authorized.”.

TITLE III—PROVISIONS RELATING TO THE THRIFT SAVINGS PLAN

Subtitle A—Additional Investment Funds for the Thrift Savings Plan

SEC. 301. SHORT TITLE.

This subtitle may be cited as the “Thrift Savings Investment Funds Act of 1996”.

SEC. 302. ADDITIONAL INVESTMENT FUNDS FOR THE THRIFT SAVINGS PLAN.

Section 8438 of title 5, United States Code, is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (5) through (8) as paragraphs (6) through (9), respectively;

(B) by inserting after paragraph (4) the following new paragraph:

“(5) the term ‘International Stock Index Investment Fund’ means the International Stock Index Investment Fund established under subsection (b)(1)(E);”;

(C) in paragraph (8) (as redesignated by subparagraph (A) of this paragraph) by striking out “and” at the end thereof;

(D) in paragraph (9) (as redesignated by subparagraph (A) of this paragraph)—

(i) by striking out “paragraph (7)(D)” in each place it appears and inserting in each such place “paragraph (8)(D)”; and

(ii) by striking out the period and inserting in lieu thereof a semicolon and “and”; and

(E) by adding at the end thereof the following new paragraph:

“(10) the term ‘Small Capitalization Stock Index Investment Fund’ means the Small Capitalization Stock Index Investment Fund established under subsection (b)(1)(D).”; and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (B) by striking out “and” at the end thereof;

(ii) in subparagraph (C) by striking out the period and inserting in lieu thereof a semicolon; and

(iii) by adding at the end thereof the following new subparagraphs:

“(D) a Small Capitalization Stock Index Investment Fund as provided in paragraph (3); and

“(E) an International Stock Index Investment Fund as provided in paragraph (4).”; and

(B) by adding at the end thereof the following new paragraphs:

“(3)(A) The Board shall select an index which is a commonly recognized index comprised of common stock the aggregate market value of which represents the United States equity markets excluding the common stocks included in the Common Stock Index Investment Fund.

“(B) The Small Capitalization Stock Index Investment Fund shall be invested in a portfolio designed to replicate the performance of the index in subparagraph (A). The portfolio shall be designed such that, to the extent practicable, the percentage of the Small Capitalization Stock Index Investment Fund that is invested in each stock is the same as the percentage determined by dividing the aggregate market value of all shares of that stock by the aggregate market value of all shares of all stocks included in such index.

“(4)(A) The Board shall select an index which is a commonly recognized index comprised of stock the aggregate market value of which is a reasonably complete representation of the international equity markets excluding the United States equity markets.

“(B) The International Stock Index Investment Fund shall be invested in a portfolio designed to replicate the performance of the index in subparagraph (A). The portfolio shall be designed such that, to the extent practicable, the percentage of the International Stock Index Investment Fund that is invested in each stock is the same as the percentage determined by dividing the aggregate market value of all shares of that stock by the aggregate market value of all shares of all stocks included in such index.”.

SEC. 303. ACKNOWLEDGEMENT OF INVESTMENT RISK.

Section 8439(d) of title 5, United States Code, is amended by striking out “Each employee, Member, former employee, or former Member who elects to invest in the Common Stock Index Investment Fund or the Fixed Income Investment Fund described in paragraphs (1) and (3),” and inserting in lieu thereof “Each employee, Member, former employee, or former Member who elects to invest in the Common Stock Index Investment Fund, the Fixed Income Investment Fund, the International Stock Index Invest-

ment Fund, or the Small Capitalization Stock Index Investment Fund, defined in paragraphs (1), (3), (5), and (10).”.

SEC. 304. EFFECTIVE DATE.

This subtitle shall take effect on the date of enactment of this Act, and the Funds established under this subtitle shall be offered for investment at the earliest practicable election period (described in section 8432(b) of title 5, United States Code) as determined by the Executive Director in regulations.

Subtitle B—Thrift Savings Accounts Liquidity

SEC. 311. SHORT TITLE.

This subtitle may be cited as the “Thrift Savings Plan Act of 1996”.

SEC. 312. NOTICE TO SPOUSES FOR IN-SERVICE WITHDRAWALS; DE MINIMIS ACCOUNTS; CIVIL SERVICE RETIREMENT SYSTEM PARTICIPANTS.

Section 8351(b) of title 5, United States Code, is amended—

(1) in paragraph (5)—

(A) in subparagraph (B)—

(i) by striking out “An election, change of election, or modification (relating to the commencement date of a deferred annuity)” and inserting in lieu thereof “An election or change of election”;;

(ii) by inserting “or withdrawal” after “and a loan”;;

(iii) by inserting “and (h)” after “8433(g)”;;

(iv) by striking out “the election, change of election, or modification” and inserting in lieu thereof “the election or change of election”; and

(v) by inserting “or withdrawal” after “for such loan”; and

(B) in subparagraph (D)—

(i) by inserting “or withdrawals” after “of loans”; and

(ii) by inserting “or (h)” after “8433(g)”; and

(2) in paragraph (6)—

(A) by striking out “\$3,500 or less” and inserting in lieu thereof “less than an amount that the Executive Director prescribes by regulation”; and

(B) by striking out “unless the employee or Member elects, at such time and otherwise in such manner as the Executive Director prescribes, one of the options available under subsection (b)”.

SEC. 313. IN-SERVICE WITHDRAWALS; WITHDRAWAL ELECTIONS, FEDERAL EMPLOYEES RETIREMENT SYSTEM PARTICIPANTS.

(a) IN GENERAL.—Section 8433 of title 5, United States Code, is amended—

(1) by striking out subsections (b) and (c) and inserting in lieu thereof the following:

“(b) Subject to section 8435 of this title, any employee or Member who separates from Government employment is entitled and may elect to withdraw from the Thrift Savings Fund the balance of the employee's or Member's account as—

“(1) an annuity;

“(2) a single payment;

“(3) 2 or more substantially equal payments to be made not less frequently than annually; or

“(4) any combination of payments as provided under paragraphs (1) through (3) as the Executive Director may prescribe by regulation.

“(c)(1) In addition to the right provided under subsection (b) to withdraw the balance of the account, an employee or Member who separates from Government service and who has not made a withdrawal under subsection (h)(1)(A) may make one withdrawal of any amount as a single payment in accordance with subsection (b)(2) from the employee's or Member's account.

“(2) An employee or Member may request that the amount withdrawn from the Thrift

Savings Fund in accordance with subsection (b)(2) be transferred to an eligible retirement plan.

"(3) The Executive Director shall make each transfer elected under paragraph (2) directly to an eligible retirement plan or plans (as defined in section 402(c)(8) of the Internal Revenue Code of 1986) identified by the employee, Member, former employee, or former Member for whom the transfer is made.

"(4) A transfer may not be made for an employee, Member, former employee, or former Member under paragraph (2) until the Executive Director receives from that individual the information required by the Executive Director specifically to identify the eligible retirement plan or plans to which the transfer is to be made.";

(2) in subsection (d)—

(A) in paragraph (1) by striking out "Subject to paragraph (3)(A)" and inserting in lieu thereof "Subject to paragraph (3)";

(B) by striking out paragraph (2) and redesignating paragraph (3) as paragraph (2); and

(C) in paragraph (2) (as redesignated under subparagraph (B) of this paragraph)—

(i) in subparagraph (A) by striking out "(A)"; and

(ii) by striking out subparagraph (B);

(3) in subsection (f)(1)—

(A) by striking out "\$3,500 or less" and inserting in lieu thereof "less than an amount that the Executive Director prescribes by regulation; and

(B) by striking out "unless the employee or Member elects, at such time and otherwise in such manner as the Executive Director prescribes, one of the options available under subsection (b), or" and inserting a comma;

(4) in subsection (f)(2)—

(A) by striking out "February 1" and inserting in lieu thereof "April 1";

(B) in subparagraph (A)—

(i) by striking out "65" and inserting in lieu thereof "70½"; and

(ii) by inserting "or" after the semicolon;

(C) by striking out subparagraph (B); and

(D) by redesignating subparagraph (C) as subparagraph (B);

(5) in subsection (g)—

(A) in paragraph (1) by striking out "after December 31, 1987, and", and by adding at the end of the paragraph the following sentence: "Before a loan is issued, the Executive Director shall provide in writing the employee or Member with appropriate information concerning the cost of the loan relative to other sources of financing, as well as the lifetime cost of the loan, including the difference in interest rates between the funds offered by the Thrift Savings Fund, and any other effect of such loan on the employee's or Member's final account balance."; and

(B) by striking out paragraph (2) and redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively; and

(6) by adding after subsection (g) the following new subsection:

"(h)(1) An employee or Member may apply, before separation, to the Board for permission to withdraw an amount from the employee's or Member's account based upon—

"(A) the employee or Member having attained age 59½; or

"(B) financial hardship.

"(2) A withdrawal under paragraph (1)(A) shall be available to each eligible participant one time only.

"(3) A withdrawal under paragraph (1)(B) shall be available only for an amount not exceeding the value of that portion of such account which is attributable to contributions made by the employee or Member under section 8432(a) of this title.

"(4) Withdrawals under paragraph (1) shall be subject to such other conditions as the Executive Director may prescribe by regulation.

"(5) A withdrawal may not be made under this subsection unless the requirements of section 8435(e) of this title are satisfied."

(b) INVALIDITY OF CERTAIN PRIOR ELECTIONS.—Any election made under section 8433(b)(2) of title 5, United States Code (as in effect before the effective date of this subtitle), with respect to an annuity which has not commenced before the implementation date of this subtitle as provided by regulation by the Executive Director in accordance with section 318 shall be invalid.

SEC. 314. SURVIVOR ANNUITIES FOR FORMER SPOUSES; NOTICE TO FEDERAL EMPLOYEES RETIREMENT SYSTEM SPOUSES FOR IN-SERVICE WITHDRAWALS.

Section 8435 of title 5, United States Code, is amended—

(1) in subsection (a)(1)(A)—

(A) by striking out "may make an election under subsection (b)(3) or (b)(4) of section 8433 of this title or change an election previously made under subsection (b)(1) or (b)(2) of such section" and inserting in lieu thereof "may withdraw all or part of a Thrift Savings Fund account under subsection (b) (2), (3), or (4) of section 8433 of this title or change a withdrawal election"; and

(B) by adding at the end thereof "A married employee or Member (or former employee or Member) may make a withdrawal from a Thrift Savings Fund account under subsection (c)(1) of section 8433 of this title only if the employee or Member (or former employee or Member) satisfies the requirements of subparagraph (B).";

(2) in subsection (c)—

(A) in paragraph (1)—

(i) by striking out "An election, change of election, or modification of the commencement date of a deferred annuity" and inserting in lieu thereof "An election or change of election"; and

(ii) by striking out "modification, or transfer" and inserting in lieu thereof "or transfer"; and

(B) in paragraph (2) in the matter following subparagraph (B)(ii) by striking out "modification";

(3) in subsection (e)—

(A) in paragraph (1)—

(i) in subparagraph (A)—

(I) by inserting "or withdrawal" after "A loan";

(II) by inserting "and (h)" after "8433(g)"; and

(III) by inserting "or withdrawal" after "such loan";

(ii) in subparagraph (B) by inserting "or withdrawal" after "loan"; and

(iii) in subparagraph (C)—

(I) by inserting "or withdrawal" after "to a loan"; and

(II) by inserting "or withdrawal" after "for such loan"; and

(B) in paragraph (2)—

(i) by inserting "or withdrawal" after "loan"; and

(ii) by inserting "and (h)" after "8344(g)"; and

(4) in subsection (g)—

(A) by inserting "or withdrawals" after "loans"; and

(B) by inserting "and (h)" after "8344(g)".

SEC. 315. DE MINIMIS ACCOUNTS RELATING TO THE JUDICIARY.

(a) JUSTICES AND JUDGES.—Section 8440a(b)(7) of title 5, United States Code, is amended—

(1) by striking out "\$3,500 or less" and inserting in lieu thereof "less than an amount that the Executive Director prescribes by regulation"; and

(2) by striking out "unless the justice or judge elects, at such time and otherwise in such manner as the Executive Director prescribes, one of the options available under section 8433(b)".

(b) BANKRUPTCY JUDGES AND MAGISTRATES.—Section 8440b(b) of title 5, United States Code, is amended—

(1) in paragraph (7) in the first sentence by inserting "of the distribution" after "equal to the amount"; and

(2) in paragraph (8)—

(A) by striking out "\$3,500 or less" and inserting in lieu thereof "less than an amount that the Executive Director prescribes by regulation"; and

(B) by striking out "unless the bankruptcy judge or magistrate elects, at such time and otherwise in such manner as the Executive Director prescribes, one of the options available under subsection (b)".

(c) FEDERAL CLAIMS JUDGES.—Section 8440c(b) of title 5, United States Code, is amended—

(1) in paragraph (7) in the first sentence by inserting "of the distribution" after "equal to the amount"; and

(2) in paragraph (8)—

(A) by striking out "\$3,500 or less" and inserting in lieu thereof "less than an amount that the Executive Director prescribes by regulation"; and

(B) by striking out "unless the judge elects, at such time and otherwise in such manner as the Executive Director prescribes, one of the options available under section 8433(b)".

SEC. 316. DEFINITION OF BASIC PAY.

(a) IN GENERAL.—(1) Section 8401(4) of title 5, United States Code, is amended by striking out "except as provided in subchapter III of this chapter,".

(2) Section 8431 of title 5, United States Code, is repealed.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—(1) The table of sections for chapter 84 of title 5, United States Code, is amended by striking out the item relating to section 8431.

(2) Section 5545a(h)(2)(A) of title 5, United States Code, is amended by striking out "8431".

(3) Section 615(f) of the Treasury, Postal Service, and General Government Appropriations Act, 1996 (Public Law 104-52; 109 Stat. 500; 5 U.S.C. 5343 note) is amended by striking out "section 8431 of title 5, United States Code,".

SEC. 317. ELIGIBLE ROLLOVER DISTRIBUTIONS.

Section 8432 of title 5, United States Code, is amended by adding at the end the following:

"(j)(1) For the purpose of this subsection—
"(A) the term 'eligible rollover distribution' has the meaning given such term by section 402(c)(4) of the Internal Revenue Code of 1986; and

"(B) the term 'qualified trust' has the meaning given such term by section 402(c)(8) of the Internal Revenue Code of 1986.

"(2) An employee or Member may contribute to the Thrift Savings Fund an eligible rollover distribution from a qualified trust. A contribution made under this subsection shall be made in the form described in section 401(a)(31) of the Internal Revenue Code of 1986. In the case of an eligible rollover distribution, the maximum amount transferred to the Thrift Savings Fund shall not exceed the amount which would otherwise have been included in the employee's or Member's gross income for Federal income tax purposes.

"(3) The Executive Director shall prescribe regulations to carry out this subsection."

SEC. 318. EFFECTIVE DATE.

This subtitle shall take effect on the date of the enactment of this Act, and withdrawals, loans, rollovers, and elections as provided under the amendments made by this subtitle shall be made at the earliest practicable date as determined by the Executive Director in regulations.

**TITLE IV—PROVISIONS RELATING TO THE
CONVERSION OF CERTAIN EXCEPTED
SERVICE POSITIONS IN THE UNITED
STATES FIRE ADMINISTRATION**

SEC. 401. CONVERSION OF POSITIONS.

(a) IN GENERAL.—No later than the date described under subsection (d)(1), the Director of the Federal Emergency Management Agency and the Director of the Office of Personnel Management shall take such actions as necessary to convert each excepted service position established before the date of the enactment of this Act under section 7(c)(4) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2206(c)(4)) to a competitive service position.

(b) EFFECT ON EMPLOYEES.—Any employee employed on the date of the enactment of this Act in an excepted service position converted under subsection (a)—

(1) shall remain employed in the competitive service position so converted without a break in service;

(2) by reason of such conversion, shall have no—

(A) diminution of seniority;

(B) reduction of cumulative years of service; and

(C) requirement to serve an additional probationary period applied; and

(3) shall retain their standing and participation with respect to chapter 83 or 84 of title 5, United States Code, relating to Federal retirement.

(c) PROSPECTIVE COMPETITIVE SERVICE POSITIONS.—Section 7(c)(4) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2206(c)(4)) is amended to read as follows:

“(4) appoint faculty members to competitive service positions and with respect to temporary and intermittent services, to make appointments of consultants to the same extent as is authorized by section 3109 of title 5, United States Code.”.

(d) EFFECTIVE DATE.—(1) Except as provided under paragraph (2), this section shall take effect on the first day of the first pay period, applicable to the positions described under subsection (a), beginning after the date of the enactment of this Act.

(2)(A) The Director of the Federal Emergency Management Agency and the Director of the Office of Personnel Management shall take such actions as directed under subsection (a) on and after the date of the enactment of this Act.

(B) Subsection (c) shall take effect on the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida [Mr. MICA] and the gentleman from American Samoa [Mr. FALEOMAVAEGA] each will control 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. MICA].

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

Mr. Speaker, the bill before us contains actually three bills that have already passed the other body, S. 868, S. 1080, and S. 1488. The Senate passed two of these bills by unanimous consent, and the third by voice vote. In addition, title II of this bill is virtually identical to H.R. 3586, which the House passed by voice vote on July 30, 1996.

Title I of this bill is identical in all material respects to S. 868, the Federal Employee Emergency Leave Transfer Act of 1995. This title authorizes the establishment of a special leave bank for Federal employees in the event of a presidentially declared emergency. The

tragedy at Oklahoma City is an example of the situations in which these special leave banks may be established. Mr. Speaker, this bill provides for a humane and a just opportunity for our Federal employees to help one another.

Title II of the bill, Mr. Speaker, is essentially the same as the Veterans Preference Employment Opportunity Act of 1996. This measure, H.R. 3586, is legislation that I introduced, and we passed the earlier version of this bill by voice vote in July. Title II creates an effective redress system for our veterans. It strengthens veterans protections in the case of a reduction in force, and it extends additional economic opportunities to our veterans. In addition, the bill extends veterans preference to certain jobs in the legislative branch, in the judicial branch, and at the White House.

In our handling of this matter, we found that sometimes our veterans are the first fired and the last hired, and this bill moves to correct that situation.

We have slightly modified the language of H.R. 3586 in an effort to respond to concerns raised by the American Postal Workers Union after we passed our original bill from the House. The APWU's concern is that the language of the original bill might have interfered with the operation of job bidding procedures in their collective bargaining agreements. It was not our intention, Mr. Speaker, to interfere with the Postal Union collective bargaining agreements, and we hope that our changes have in fact clarified this matter.

In addition, the Department of Defense has been given more time to comply with the provisions of the bill and another modification they requested.

In title III, Mr. Speaker, our provisions make the Thrift Savings Plan even more attractive to our Federal employees. They establish two new investment funds for Federal employees, an international stock index fund and a small capitalization stock index fund. In addition, these provisions will make it easier for Federal employees to borrow their own money from the Thrift Savings Plan and provide for a onetime permanent withdrawal at age 59½ or when they experience a particular financial hardship.

Title III also contains an improvement to the Thrift Savings Plan that was not in S. 1080. Under this bill, employees who come to work for the Government will be able to deposit the funds from their private 401(k) plans into our Thrift Savings Plan. This is an additional rollover authority, which should make Government employment more attractive to many in the private sector.

Finally, Mr. Speaker, title IV of this bill incorporates the provisions of S. 1488. That bill converts certain accepted service positions in the U.S. Fire Administration to competitive service positions. It also authorizes the Fire

Administration to appoint new faculty members to competitive service positions.

Mr. Speaker, I am pleased that we have had the cooperation of the gentleman from Virginia [Mr. MORAN], the ranking member, and the gentlewoman from Maryland [Mrs. MORELLA] a leader on our Civil Service Subcommittee that I am so pleased to have the opportunity to chair. I also want to recognize the gentleman from Virginia [Mr. DAVIS] for his fine work and contributions, and also, not a member of the subcommittee or committee, but the gentleman from Virginia [Mr. WOLF] who is a strong advocate on behalf of our Federal employees and workers.

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

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

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

Mr. FALEOMAVAEGA. Mr. Speaker, due to a conflict in scheduling and because of a prior commitment in his congressional district, the gentleman from Virginia [Mr. MORAN] who is also the senior Democrat of the subcommittee, has requested that I assist him in managing this bill before the House. In doing so, Mr. Speaker, and on behalf of the gentleman from Virginia and Members from this side of the aisle, I am pleased to rise in support of Senate bill 868 and the managers' amendment offered by the gentleman from Florida [Mr. MICA]. Senate bill 868 is a simple bill first proposed by the Office of Personnel Management after the tragic bombing in Oklahoma City.

□ 2130

It makes it easier for Federal employees to donate unused annual leave to their counterparts who have been adversely impacted by a disaster or national emergency. This bill passed the Senate unanimously last October and recently passed the Government Reform and Oversight Committee on voice vote.

To this legislation, Mr. MICA is offering a manager's amendment that incorporates other important provisions. The first makes important reforms to the Thrift Savings Plan and enables employees to participate in the plan earlier and to invest their funds in two new plans. The Thrift Savings Plan is a very successful retirement plan that enables Federal employees to save for their retirement. The provisions in this legislation will also provide Federal employees the same flexibilities enjoyed by their private sector counterparts who participate in 401(k) plans. This provision also allows Federal employees to borrow against their accounts for any reason.

The second provision is the Veterans Employment Opportunities and Improvement Act. This legislation has passed the House by voice vote and makes some positive reforms in the application of our veterans' preference

laws. By attaching this provision to S. 868, the majority expects that we will be able to engage the Senate in a conference on this legislation and break the current deadlock.

Finally, the manager's amendment incorporates a provision that was introduced by Senator SARBANES and passed the Senate by voice vote. This is more a technical provision and will help remedy a situation that affects only a limited number of employees. I support the effort to enact this correction.

Again, I support this legislation and the manager's amendment. I hope it will have my colleagues support as well.

Mr. Speaker, I urge my colleagues to support this legislation.

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

Mr. MICA. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Maryland, [Mrs. MORELLA], who I am pleased to say is a very strong advocate on behalf of our Federal employees, someone who shares a caring and compassion for them, and one of the most productive members of the Subcommittee on Civil Service.

Mrs. MORELLA. Mr. Speaker, I want to thank the gentleman who chairs our Subcommittee on Civil Service not only for the fine words but the leadership he has shown during this very challenging time for Federal employees and Federal agencies. I value that very much.

Mr. Speaker, I rise in strong support of S. 868, legislation that will help our dedicated Federal employees in a variety of ways. Civil servants are facing hard times, and they are understandably apprehensive about the future.

Although I would have liked to consider several pieces of legislation that I have introduced to help Federal employees meet the challenges of the changing workplace, this bill is a step in the right direction. I am proud to have drafted portions of this legislation to improve the lives of our Federal employees. Tomorrow, as part of civil service reform, we will consider additional proposals that I have drafted to help civil servants.

S. 868 contains legislation I introduced, H.R. 2306, the Federal Thrift Savings Plan Enhancement Act. These provisions will bolster a critical component of Federal employees' retirement benefits—the Thrift Savings Plan—at no cost to taxpayers.

The Thrift Savings Plan [TSP] is a retirement savings and investment plan for Federal and postal employees. It offers the same type of savings and tax benefits that many private corporations offer their employees under 401(k) plans. The TSP is critical for all Federal employees, but it is particularly important for those employees hired in the last decade who, under the Federal Employees Retirement System, receive smaller civil service benefits and need to invest more money to enhance their retirement income.

Unlike many private plans, the TSP limits employees to three investment funds: the Government Securities Investment (G) Fund, the Common Stock Index Investment (C) Fund, and the Fixed Income Investment (F) Fund. Eighty two percent of the largest corporations now offer four or more investment options in their defined contribution plans, and 50 percent offer five or more options. As the number of funds offered increases, small-cap and international funds are among the most popular additions. H.R. 2306 would give Federal workers two new investment options under the Thrift Savings Plan: a Small Capitalization Stock Index Investment Fund and International Stock Index Fund. These funds will provide Federal employees with a long-term investment strategy comparable to private pension plans. Adding two new options to Federal employees' retirement investment portfolios will potentially increase their investment earnings for retirement, and it will empower Federal workers to take a more active and personal responsibility for their retirement.

This legislation will also permit Federal employees to begin to withdraw money from the TSP at age 59½, even if they continue to work and invest in the plan. The money withdrawn would be taxable, but it would not be subject to any early-retirement penalty. Under the current rules, an employee cannot withdraw money before retiring. The legislation also significantly improves borrowing provisions to allow employees to borrow money from their own accounts as long as they repay it.

Federal employees face uncertainty caused by Federal downsizing and the recent Government shutdowns. Over 2 million Federal employees also worry about their retirement, and this legislation would bolster a critical component of their retirement benefits.

Unfortunately, this legislation does not include a critical provision in my TSP bill—the provision to allow employees to invest up to the \$9,500 IRS limit of their own to the TSP. Currently, FERS employees can put in up to 10 percent of their salary with a Government match of up to 5 percent, and CSRS employees can invest up to 5 percent of their salary. I will continue to pursue legislation to increase this amount to the IRS limit separately.

This legislation also contains a provision important to firefighters in my district. When the Federal Emergency Management Agency was formed 20 years ago, it placed a number of its employees with specific fire-fighting expertise in the National Fire Academy under "excepted" service status. After the NFA has filled their vacancies, new hires were obtained through a competitive civil service hiring system. Today, 91 of the NFA's 99 employees are under the general schedule and 8 remain in excepted status. These eight employees are subject to significant limitations within the U.S. Fire Administration, and they are legally barred from com-

peting for management positions. This provision would convert the eight remaining excepted service positions at the U.S. Fire Administration to competitive service status to remedy this unfair situation. The Office of Personnel Management supports this provision, and CBO has indicated that there would be no cost for this conversion.

This bill also contains the veterans' preference provisions passed by the House in July. These provisions were developed pursuant to a hearing held in the Civil Service Subcommittee last April. We learned that simply giving veterans augmented scores and certain due process protections does not necessarily give them the rightful additional assistance in obtaining and retaining civilian employment with the Federal Government that they deserve.

Testimony from veterans associations and from veterans such as John Fales, the author of the Sgt. Shaft column in the Washington Times, illustrated the need for this protection. Mr. Fales shared some of the hundreds of letters he has received that describe the challenges faced by veterans employed by the Federal Government.

The Veterans Employment Opportunities Act of 1996 would strengthen, and, in the case of hiring, broaden the applicability of veterans' preference laws. H.R. 3586 would provide increased protection during reductions-in-force, establishes an enhanced redress system, and applies veterans' preference to nonpolitical positions at both the White House and in the legislative branch, as well to as many positions in the judicial branch. It also extends veterans' preference when Rif's occur in the Federal Aviation Administration, and it will allow veterans claiming they were denied preference to take their case to Federal court for the first time. I am sensitive to the differing circumstances of the postal service, and I will work to address their concerns in conference.

In the event of a disaster or emergency, this legislation would allow Federal employees in any agency to donate their unused annual leave to Federal employees adversely affected. It is too bad that we have to pass legislation to allow Federal employees to help one another in such times of need, but I commend the many Federal employees who will put the needs of others before themselves and help those in need by donating their annual leave. This small change to the law is particularly important in the wake of such tragedies such as Oklahoma City, and I strongly urge its passage.

Mr. Speaker, I strongly urge the passage of S. 868, and again I thank the gentleman for the time that he has given me to comment on what I think is an important bill. I also want to commend the ranking member of our subcommittee, the gentleman from Virginia [Mr. MORAN].

Mr. FALEOMAVAEGA. Mr. Speaker, I yield myself such time as I may consume to concur in the remarks

made earlier by the gentlewoman from Maryland. She certainly has been a great advocate of our work force in the civil service, and I am sure that because the legislation is not exactly a perfect one that, hopefully, in the next Congress, some of the sentiments and concerns she has expressed earlier will be taken seriously.

Mr. Speaker, I also want to recognize the contributions of the members of the subcommittee, the gentleman from Pennsylvania [Mr. HOLDEN], the gentleman from Vermont [Mr. SANDERS], and the gentlewoman from Illinois [Mrs. COLLINS] absolutely the senior Democrat, the ranking member of the full committee, for the tremendous contributions that she has rendered for our government in all these years that she has served in this capacity as a member of the Committee on Government Reform and Oversight.

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

Mr. MICA. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], who is one of the strongest advocates in the Congress on behalf of veterans and also has the honor and distinction of serving as chairman of our Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I want to thank the gentleman from Florida, JOHN MICA. Quite often I mistake JOHN and sometimes I call him Dan, and that is because 18 years ago Dan Mica, his brother, and I came to this Congress. His brother was a Democrat on the other side of the aisle but an outstanding Member of this body who served with me on the Committee on International Relations, as he did with the Speaker, at that time.

Mr. Speaker, I wanted to stand up here for a moment just to praise JOHN MICA, his subcommittee, and the members of this subcommittee, like the gentlewoman from Maryland, CONNIE MORELLA, and certainly my good friend, the gentleman from American Samoa, Mr. FALEOMAVAEGA, for the good job they always do.

Quite often Federal employees come under undue criticism. Yet, the vast majority of them are good people, they are conscientious, they are polite, they are courteous, and they do their job. I just want to commend the gentleman for the job he is doing on this piece of legislation, because in the long run that is what it is meant to do. It is meant to help Federal employees to do their job.

I want to concentrate briefly on the veterans preference benefits that are here. Mr. MICA has been very active in legislation along this line. The gentleman and I have worked together on many pieces of legislation just in the last 18 months dealing with it.

One of the provisions, as CONNIE MORELLA was alluding to earlier, was the provision that for the first time establishes an effective user-friendly redress system for veterans who believe their rights have been violated. This is

very, very important. This will speed up that entire process so that they can have due process.

Another provision removes artificial barriers that often bar service men and women from competing for Federal jobs. These individuals should be able to compete for jobs for which they qualify just like any other Federal employee.

Thirdly, it extends veterans preference to certain jobs in this legislative branch, where the gentleman and I serve, in the judiciary branch, and in the White House as well.

□ 2145

Members might ask, why are veterans given these particular preferences? Whether you serve for 20 years in the military, whether you serve for 4 years or 2 years, let us just say you serve for 4 years and you were an 18-year-old when you went in the military, and at the same time your peer did not go in the military as he went on to college. And he graduates then from college 4 years before you do. He enters the job market 4 years before you do. All of that, that 4-year loss, when you are working at a substantially lesser benefit, when there are no benefits really in the military because you are not going to stay long enough to gain retirement benefits, that loss to you compared to your peer amounts to about \$68,000 over a 4-year period.

A young man or young woman entering the military, when he or she gets out, they are always going to be \$68,000 poorer than the peer that did not have the opportunity to serve. So that is really what veterans preference is all about. It is a way of allowing them to catch up, which is why we have the peacetime GI bill. That is why this piece of legislation is so terribly important.

I want to commend the gentleman from Florida, Mr. JOHN MICA, for the good job that he and that the members of his committee have done. Let us get it passed. Let us get it sent to the President and get his signature on it.

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

I would like to conclude my remarks on this legislation and just take a moment, as we finish our comments, to thank the gentleman from American Samoa for his assistance tonight in moving this legislation forward. Also to thank the ranking member of our subcommittee, the gentleman from Virginia [Mr. MORAN] who is not able to be with us but who has provided great leadership on this and other civil service issues, and particularly the gentlewoman from Maryland [Mrs. MORELLA], as part of this legislation and, in fact, as part of her initiatives, continuing efforts on behalf of our civil servants whom she holds so dearly, both their service and their contribution to our Federal Government. I thank her. I thank the gentleman from Virginia [Mr. DAVIS] of our subcommittee and also, as I mentioned, the gen-

tleman from Virginia [Mr. WOLF], who is not on the committee, who has contributed to this and other productive civil service legislation; also the gentleman from New York [Mr. SOLOMON] for his tremendous interest and efforts on behalf of our veterans. His service goes on and on in their behalf and on behalf of the Congress. The gentleman from Indiana [Mr. BUYER] who is not with us tonight but chairs one of the veterans subcommittees, also contributed greatly.

Finally, Mr. Speaker, by combining title II with three Senate bills we are, in fact, giving the other body a very convenient way of addressing veterans preference in the few remaining legislative days that we have left in this session.

Mr. Speaker, the bill before us today and tonight is, in fact, a good one. It authorizes emergency leave for our Federal employees. It strengthens our veterans preference. It improves the thrift savings plan and makes desirable modifications to the employment status of employees at the Fire Administration.

This legislation tonight and bills that we hope to pass in tomorrow's session can go a long way toward making it a better Federal workplace and a better Federal work force.

I urge my colleagues to vote for these measures and for this bill.

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

Mr. MICA. I yield to the gentleman from American Samoa.

Mr. FALEOMAVAEGA. Mr. Speaker, I would be remiss if I did not also express the gentleman from Virginia's sentiments in expressing to the gentleman from Florida, as chairman of the subcommittee, for the outstanding job that he has done and the spirit of bipartisanship that we were able to work out the differences in bringing us to the floor at this point in time. I want to note that for the RECORD to the gentleman from Florida for the tremendous job that he has done in bringing this legislation to fruition.

Mr. MICA. Mr. Speaker, I thank the gentleman.

Again, I urge passage of this and, finally, thank the staff on both sides of the aisle for their tremendous contributions.

Mr. MORAN. Mr. Speaker, I am pleased to rise in support of S. 868 and the manager's amendment offered by Representative MICA.

S. 868 is a simple bill first proposed by the Office of Personnel Management after the tragic bombing in Oklahoma City. It makes it easier for federal employees to donate unused annual leave to their counterparts who have been adversely impacted by a disaster or national emergency. This bill passed the Senate unanimously last October and recently passed the Government Reform and Oversight Committee on voice vote.

To this legislation, Mr. MICA is offering a manager's amendment that incorporates other important provisions. The first makes important reforms to the Thrift Savings Plan and enables employees to participate in the plan earlier and to invest their funds in two new plans.

The Thrift Savings Plan is a very successful retirement plan that enables federal employees to save for their retirement. The provisions in this legislation will also provide federal employees the same flexibilities enjoyed by their private sector counterparts who participate in 401(k) plans. This provision also allows federal employees to borrow against their accounts for any reason.

The second provision is the Veterans Employment Opportunities and Improvement Act. This legislation has passed the House by voice vote and makes some positive reforms in the application of our Veterans' preference laws. By attaching this provision to S. 868, the majority expects that we will be able to engage the Senate in a conference on this legislation and break the current deadlock.

Finally, the manager's amendment incorporates a provision that was introduced by Senator SARBANES and passed the Senate by voice vote. This is more a technical provision and will help remedy a situation that affects only a limited number of employees. I support the effort to enact this correction.

Again, I support this legislation and the manager's amendment. I hope it will have my colleagues' support as well.

Mr. BUYER. Mr. Speaker, I want to congratulate and thank Chairman MICA and his subcommittee for their magnificent efforts on this very important piece of legislation and for their dogged determination to shepherd this bill through the legislative process.

I had the honor of testifying before Mr. MICA's subcommittee, and I am doubly pleased that some of the points I brought out during the hearing are in the bill. I wish to stress that the most important provision—that of an administrative and judicial method for veterans to pursue their employment claims—is not an expansion of veterans preference, but a necessary provision to ensure just protection of their rights as veterans.

And to those who feel that veterans don't need the protections being provided to them in this bill, let me just quote an internal memo from Postmaster General Marvin Runyon to his Board of Governors. Mr. Runyon states that veterans preference will, "have a detrimental impact on the Postal Service," it would "tie our hands," and it would, "be costly and make our personnel decisions more difficult and onerous." Finally, recognizing the average American's support for veterans he says, "this is a difficult issue to oppose publicly, especially in an election year."

The Postmaster almost got it right, but I would offer this. I would say that it is an issue that should never be opposed—election year or not—because veterans preference must remain the cornerstone of federal employment, simply because it is the right thing to do.

Veterans preference knows neither color nor gender, nor ethnic origin, whether the veteran is a Christian, Jew, Muslim or atheist. It is based on what is becoming a novel idea in this country—a willingness to sacrifice one's life for the good of the nation. I challenge anyone to point out a more appropriate group of citizens to receive some small advantage in securing and maintaining federal employment.

This bill will do much to reverse what I call a growing anti-veteran culture among bureaucrats. There is no doubt that women and minorities have suffered employment discrimination in both the federal and private sector. But let me stress that our military forces have

been in the forefront of promoting women and minorities among the ranks, and it is time for federal hiring managers to put veterans first.

I am also pleased that S. 868 will apply veterans preference to non-political employees of the Congress, the White House, and the Judiciary Branch. The only thing special here is the nation's commitment to a very special class of person—veterans. The approach taken in the bill to these principles is reasonable and is not unduly restrictive.

Mr. Chairman, let me close by noting that a little over 50 years ago, we were just winding up the bloody Pacific Campaign. A few years later, our forces were fighting and dying to maintain democracy's foothold on the Korean Peninsula. Slightly less than 30 years ago, our forces distinguished themselves in turning back the Tet Offensive. And just five years ago, the men and women of this nation struck like lightning against Saddam Hussein. In less than 60 years those wearing the nation's uniform have earned this small benefit at the cost of nearly 520,000 deaths. This is a benefit that costs the government nothing while honoring what is truly national service.

I strongly urge my colleagues to join all the major veterans service organizations in their support of this bill and to vote in favor of S. 868.

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

The SPEAKER pro tempore (Mr. WICKER). The question is on the motion offered by the gentleman from Florida, [Mr. MICA] that the House suspend the rules and pass the Senate bill, S. 868, as amended.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MICA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 868, the Senate bill just passed.

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

There was no objection.

CLARION RIVER NATIONAL WILD AND SCENIC RIVERS DESIGNATION

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3568) to designate 51.7 miles of the Clarion River, located in Pennsylvania, as a component of the National Wild and Scenic Rivers System.

The Clerk read as follows:

H.R. 3568

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding at the end the following new paragraph:

"() CLARION RIVER, PENNSYLVANIA.—The 51.7-mile segment of the main stem of the Clarion River from the Allegheny National Forest/State Game Lands Number 44 bound-

ary, located approximately 0.7 miles downstream from the Ridgway Borough limit, to an unnamed tributary in the backwaters of Piney Dam approximately 0.6 miles downstream from Blyson Run, to be administered by the Secretary of Agriculture in the following classifications:

"(A) The approximately 8.6-mile segment of the main stem from the Allegheny National Forest/State Game Lands Number 44 boundary, located approximately 0.7 miles downstream from the Ridgway Borough limit, to Portland Mills, as a recreational river.

"(B) The approximately 8-mile segment of the main stem from Portland Mills to the Allegheny National Forest boundary, located approximately 0.8 miles downstream from Irwin Run, as a scenic river.

"(C) The approximately 26-mile segment of the main stem from the Allegheny National Forest boundary, located approximately 0.8 miles downstream from Irwin Run, to the State Game Lands 283 boundary, located approximately 0.9 miles downstream from the Cooksburg bridge, as a recreational river.

"(D) The approximately 9.1-mile segment of the main stem from the State Game Lands 283 boundary, located approximately 0.9 miles downstream from the Cooksburg bridge, to an unnamed tributary at the backwaters of Piney Dam, located approximately 0.6 miles downstream from Blyson Run, as a scenic river."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah [Mr. HANSEN] and the gentleman from American Samoa [Mr. FALEOMAVAEGA] each will control 20 minutes.

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

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

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

Mr. HANSEN. Mr. Speaker, this is a good bill, introduced by our colleague Mr. CLINGER, which provides for the designation of 51.7 miles of the Clarion River in Pennsylvania under the Wild and Scenic River Act. About 60 percent of the river courses through Forest Service and State game lands, and the balance is abutted by private property owners. The Forest Service has studied this river pursuant to a directive by Congress several years ago. The Forest Service found strong local support for designation of the river, as attested to by a proclamation issued by Gov. Tom Ridge designating June 1996 as Clarion River Month.

The administration fully supports this legislation and I am aware of no objections to it, therefore, I urge my colleagues to support H.R. 3568.

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

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

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

Mr. FALEOMAVAEGA. Mr. Speaker, H.R. 3568 would designate 51.7 miles of the Clarion River in Pennsylvania, as a component of the national wild and scenic rivers system. I would note for the RECORD that we are being asked to