to take parental involvement leave to participate in or attend the educational activities of their children; to the Committee on Labor and Human Resources.

By Mr. SHELBY:

S. 2146. A bill to direct the Secretary of the Interior to convey the Marion National Fish Hatchery and the Claude Harris National Aquacultural Research Center to the State of Alabama, and for other purposes; to the Committee on Environment and Public Works.

By Mr. PELL (for himself and Mr. HATFIELD):

S. 2147. A bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Library of Congress; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HARKIN (for himself and Mrs. MURRAY):

S. 2148. A bill to amend the Internal Revenue Code of 1986 to expand the child and dependent care credit, and for other purposes; to the Committee on Finance.

By Mr. KENNEDY (for himself and Mr. KERRY):

S. 2149. A bill to establish a program to provide health insurance for workers changing jobs; to the Committee on Labor and Human Resources.

By Mr. MURKOWSKI (for himself, Mr. CRAIG, Mr. HATCH, Mr. BENNETT, Mr. CAMPBELL, Mr. BURNS, Mr. NICKLES, and Mr. STEVENS):

S. 2150. A bill to prohibit extension or establishment of any national monument on public land without full compliance with the National Environmental Policy Act and the Endangered Species Act, and an express Act of Congress, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SIMPSON (by request):

S. 2151. A bill to provide a temporary authority for the use of voluntary separation incentives by Department of Veterans Affairs offices that are reducing employment levels, and for other purposes; to the Committee on Veterans' Affairs.

S. 2152. A bill to amend title 38, United States Code, to provide benefits for certain children of Vietnam veterans who are born with spina bifida, and for other purposes; to the Committee on Veterans' Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SHELBY (for himself, Mr. BOND, Mr. GRAMS, Mr. MURKOWSKI, Mr. FAIRCLOTH, Mr. KYL, Mr. INHOFE, Mr. SANTORUM, Mrs. FRAHM, Mr. THURMOND, Mr. HELMS, and Mr. BENNETT):

S. Con. Res. 72. A concurrent resolution expressing the sense of the Congress that the President should categorically disavow any intention of issuing a pardon to James or Susan McDougal or to Jim Guy Tucker; to the Committee on the Judiciary.

By Mr. D'AMATO:

S. Con. Res. 73. A concurrent resolution concerning the return of or compensation for wrongly confiscated foreign properties in formerly Communist countries and by certain foreign financial institutions; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. D'AMATO (for himself, Mr. ABRAHAM, Mr. BENNETT, Mr. BOND, Mrs. BOXER, Mr. BRADLEY, Mr. BUMPERS, Mr. BURNS, Mr. CHAFEE, Mr. COATS, Mr. COCHRAN, Mr. COHEN, Mr. CONRAD, Mr. COVERDELL, Mr. CRAIG, Mr. DASCHLE, Mr. DEWINE, Mr. DODD, Mr. DOMENICI, Mr. EXON, Mr. FAIRCLOTH, Mrs. FEINSTEIN, Mrs. FRAHM, Mr. FRIST, Mr. GRAHAM, Mr. GRAMS, Mr. GRASSLEY, Mr. HATCH, Mr. HELMS, Mr. HOLLINGS, Mrs. HUTCHISON, Mr. INHOFE, Mr. INOUYE, Mr. KERREY, Mr. KERRY, Mr. KYL, Mr. LAUTENBERG, Mr. LEAHY, Mr. LIEBERMAN, Mr. LEVIN, Mr. LOTT, Mr. LUGAR, Mr. MACK, Mr. MCCONNELL, Ms. MOSELEY-BRAUN, Mr. MOYNIHAN, Mr. MURKOWSKI, Mrs. MURRAY, Mr. NICKLES, Mr. PRESSLER, Mr. PRYOR, Mr. REID, Mr. ROCKEFELLER, Mr. ROTH, Mr. SANTORUM, Mr. SARBANES, Mr. SHELBY, Mr. SIMON, Mr. SIMPSON, Mr. SMITH, Mr. STEVENS, Mr. THOMPSON, Mr. THURMOND, Mr. WARNER, AND Mr. WYDEN):

S. 2136. A bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the breaking of the color barrier in major league baseball by Jackie Robinson; to the Committee on Banking, Housing, and Urban Affairs.

THE JACKIE ROBINSON COMMEMORATIVE COIN ACT

● Mr. D'AMATO. Mr. President, on behalf of myself and 64 colleagues, I rise today to introduce the Jackie Robinson Commemorative Coin Act. It is appropriate and important that the Congress honor Jackie Robinson, a true American hero who rose above prejudice and segregation to become a pillar of our national pastime—and a leader in the fight for racial equality. The bill would authorize the U.S. Mint to commemorate the 50th anniversary of Jackie Robinson's historic and heroic act of breaking baseball's color barrier.

Mr. President, the life story of this great American citizen is so uplifting. It is a story of a pioneer, a man of many many, ''firsts.''

As a young boy growing up in New York, I was consumed by baseball like so many others. I have a personal connection to Jackie Robinson and the legendary Brooklyn Dodgers. Those were certainly the banner days for baseball, in New York and elsewhere. Jackie Robinson, one of the all stars with the legendary Brooklyn Dodgers, stood as tall as one of New York's skyscrapers themselves.

Jackie Robinson's courage, quiet determination and competitive spirit were evident throughout his life. At UCLA, Jackie Robinson was the first four-letter man excelling at football, basketball, track, and baseball.

Although he was far along the path to a promising future in sports, Jackie Robinson had to leave college after 3 years to support his mother. He realized that coming to his mother's aid in a time of need was a more compelling priority. Jackie Robinson was a giving, unselfish man, and devoted son.

In 1942, Jackie Robinson faced another noble calling. He joined the Army to serve his country during World War II. In his 3 years of service, Jackie rose to the rank of 2d lieutenant and attended Officers Candidate School. The atmosphere of segregation in the Army inspired him to forge ahead and begin a quiet but lifelong determined effort to fight discrimination.

After the Army, Jackie Robinson returned to his true dream—playing baseball. Despite the color barrier, Jackie Robinson persisted. Jackie Robinson experienced the ugly face of bigotry firsthand playing for the Negro Baseball League in 1945. It was commonplace to have hotel and restaurant doors shut in his face. He withstood vicious taunts and threats from fans. Even some of his own teammates would not acknowledge him.

But those affronts and experiences did not diminish Jackie Robinson's spirit. Eventually, his excellence and determination prevailed. In 1946 he joined the Montreal Royals minor-league team in the Dodgers organization. That same year, he was recognized as the MVP of the league, the first of many baseball honors.

In 1947, Jackie Robinson became prominent in the history of our Nation and its great pastime. He penetrated the color barrier in baseball when he was brought up to play for the Brooklyn Dodgers. This breakthrough reverberated throughout all professional sports and is acknowledged today as a watershed event in the continuing struggle for racial equality.

Mr. President, in late 1947, Jackie Robinson was named Rookie of the Year, actually the first so-named in the major leagues. Then in 1949 he was named MVP of the National League. Throughout his 11-year career with the Dodgers, Jackie Robinson won batting titles, set fielding records, and was feared as a base stealer.

Another first occurred in 1962 when Jackie Robinson became the first African-American to be inducted into the Baseball Hall of Fame located in Cooperstown, NY.

Mr. President, for many of us, especially, those of my generation, Jackie Robinson is synonymous with baseball. He dazzled and electrified crowds with his energetic performances on the field. Time and time again, he brought fans to their feet. At the same time, he united a whole city with his personal enthusiasm, and baseball excellence. But, Jackie Robinson, the man transformed his greatness on the baseball diamond to greatness in his community, hitting homeruns for his fellow man. In many ways, Jackie Robinson united our Nation through all of his achievements.

After retiring from professional baseball, he entered a life of service to his

community. He donned the many hats of businessman, community leader, and civil rights activist. His dedication to bringing down social barriers thrived. He provided affordable housing to low-income families through the Jackie Robinson Development Corp. He helped spur economic development in Harlem by founding the Freedom National Bank, now a prosperous financial institution. As vice president for personnel at a well-known fast-food chain, he championed the cause of increasing benefits for workers and their families.

Mr. President, Jackie Robinson remains an inspiration to this Nation and a commemorative coin will serve as a fitting tribute to this great man. In the spirit of honoring our greatest American heroes, I am introducing this bill which would authorize silver dollar commemorative coins to be minted in 1997 celebrating the 50th anniversary of breaking the color barrier in American baseball by Jackie Robinson. Once the Mint has recovered its costs, profits would go to the Jackie Robinson Foundation, a public, not-for-profit organization.

The focus of the Jackie Robinson Foundation is to make educational and leadership development opportunities available to minority youths of limited financial resources. Full 4-year college scholarships are awarded to those youths who meet the selection criteria of the foundation. These criteria are based on academic achievement, community service, leadership potential, and financial need.

The successes of the foundation's primary goal are undeniable. Since its inception, over 400 young adults from all parts of this Nation have benefited from participation with most students obtaining degrees in engineering, science and related fields. And furthermore, the graduation rate of the foundation participants is 92 percent, one of the best in our country.

The Jackie Robinson Foundation was established by Mrs. Rachel Robinson a year following Jackie Robinson's untimely death. She has worked tirelessly to keep his inspiration alive through her gentle strength and relentless determination. Jackie Robinson once said of his wife of 26 years—''strong, loving, gentle, and brave, never afraid to either criticize or comfort.'' Rachel Robinson is truly an incredible woman. I can attest to that.

Mr. President, I want to thank my colleague from New York, FLOYD FLAKE for his leadership and dedication in this matter. I would also like to extend a deep appreciation to all cosponsors for their incredible support in realizing this effort. I owe a special debt of gratitude to the Honorable Robert Rubin, Secretary of the Treasury and Philip Diehl, Director of the U.S. Mint for their support.

Mr. President, I ask for unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2136

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Jackie Robinson Commemorative Coin Act''.

SEC. 2. COIN SPECIFICATIONS.

(a) $1 SILVER COINS.—In commemoration of the 50th anniversary of the breaking of the color barrier in major league baseball by Jackie Robinson and the legacy that Jackie Robinson left to society, the Secretary of the Treasury (hereafter in this Act referred to as the ''Secretary'') shall mint and issue not more than 500,000 $1 coins, each of which shall—

(1) weigh 26.73 grams;

(2) have a diameter of 1.500 inches; and

(3) contain 90 percent silver and 10 percent copper.

(b) LEGAL TENDER.—The coins minted under this Act shall be legal tender, as provided in section 5103 of title 31, United States Code.

(c) NUMISMATIC ITEMS.—For purposes of section 5134 of title 31, United States Code, all coins minted under this Act shall be considered to be numismatic items.

SEC. 3. SOURCES OF BULLION.

The Secretary shall obtain silver for minting coins under this Act only from stockpiles established under the Strategic and Critical Materials Stock Piling Act.

SEC. 4. DESIGN OF COINS.

(a) DESIGN REQUIREMENTS.—

(1) IN GENERAL.—The design of the coins minted under this Act shall be emblematic of Jackie Robinson and his contributions to major league baseball and to society.

(2) DESIGNATION AND INSCRIPTIONS.—On each coin minted under this Act there shall be—

(A) a designation of the value of the coin;

(B) an inscription of the year ''1997''; and

(C) inscriptions of the words ''Liberty'', ''In God We Trust'', ''United States of America'', and ''E Pluribus Unum''.

(b) SELECTION.—The design for the coins minted under this Act shall be—

(1) selected by the Secretary after consultation with the Jackie Robinson Foundation (hereafter in this Act referred to as the ''Foundation'') and the Commission of Fine Arts; and

(2) reviewed by the Citizens Commemorative Coin Advisory Committee.

SEC. 5. ISSUANCE OF COINS.

(a) QUALITY OF COINS.—Coins minted under this Act shall be issued in uncirculated and proof qualities.

(b) MINT FACILITY.—Only 1 facility of the United States Mint may be used to strike any particular quality of the coins minted under this Act.

(c) PERIOD FOR ISSUANCE.—The Secretary may issue coins minted under this Act only during the period beginning on April 15, 1997, and ending on April 15, 1998.

SEC. 6. SALE OF COINS.

(a) SALE PRICE.—The coins issued under this Act shall be sold by the Secretary at a price equal to the sum of—

(1) the face value of the coins;

(2) the surcharge provided in subsection (d) with respect to such coins; and

(3) the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping).

(b) BULK SALES.—The Secretary shall make bulk sales of the coins issued under this Act at a reasonable discount.

(c) PREPAID ORDERS.—

(1) IN GENERAL.—The Secretary shall accept prepaid orders for the coins minted under this Act before the issuance of such coins.

(2) DISCOUNT.—Sale prices with respect to prepaid orders under paragraph (1) shall be at a reasonable discount.

(d) SURCHARGES.—All sales shall include a surcharge of $10 per coin.

SEC. 7. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods and services necessary for carrying out the provisions of this Act.

(b) EQUAL EMPLOYMENT OPPORTUNITY.—Subsection (a) shall not relieve any person entering into a contract under the authority of this Act from complying with any law relating to equal employment opportunity.

SEC. 8. DISTRIBUTION OF SURCHARGES.

(a) IN GENERAL.—Subject to section 10(a), all surcharges received by the Secretary from the sale of coins issued under this Act shall be promptly paid by the Secretary to the Foundation for the purposes of—

(1) enhancing the programs of the Foundation in the fields of education and youth leadership skills development; and

(2) increasing the availability of scholarships for economically disadvantaged youths.

(b) AUDITS.—The Comptroller General of the United States shall have the right to examine such books, records, documents, and other data of the Foundation as may be related to the expenditures of amounts paid under subsection (a).

SEC. 9. FINANCIAL ASSURANCES.

(a) NO NET COST TO THE GOVERNMENT.—The Secretary shall take such actions as may be necessary to ensure that minting and issuing coins under this Act will not result in any net cost to the United States Government.

(b) PAYMENT FOR COINS.—A coin shall not be issued under this Act unless the Secretary has received—

(1) full payment for the coin;

(2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration Board.

SEC. 10. CONDITIONS ON PAYMENT OF SURCHARGES.

(a) PAYMENT OF SURCHARGES.—Notwithstanding any other provision of law, no amount derived from the proceeds of any surcharge imposed on the sale of coins issued under this Act shall be paid to the Foundation unless—

(1) all numismatic operation and program costs allocable to the program under which such coins are produced and sold have been recovered; and

(2) the Foundation submits an audited financial statement which demonstrates to the satisfaction of the Secretary of the Treasury that, with respect to all projects or purposes for which the proceeds of such surcharge may be used, the Foundation has raised funds from private sources for such projects and purposes in an amount which is equal to or greater than the maximum amount the Foundation may receive from the proceeds of such surcharge.

(b) ANNUAL AUDITS.—

(1) ANNUAL AUDITS OF RECIPIENTS REQUIRED.—The Foundation shall provide, as a condition for receiving any amount derived from the proceeds of any surcharge imposed on the sale of coins issued under this Act, for

an annual audit, in accordance with generally accepted government auditing standards by an independent public accountant selected by the Foundation, of all such payments to the Foundation beginning in the first fiscal year of the Foundation in which any such amount is received and continuing until all such amounts received by the Foundation with respect to such surcharges are fully expended or placed in trust.

(2) MINIMUM REQUIREMENTS FOR ANNUAL AUDITS.—At a minimum, each audit of the Foundation pursuant to paragraph (1) shall report—

(A) the amount of payments received by the Foundation during the fiscal year of the Foundation for which the audit is conducted which are derived from the proceeds of any surcharge imposed on the sale of coins issued under this Act;

(B) the amount expended by the Foundation from the proceeds of such surcharges during the fiscal year of the Foundation for which the audit is conducted; and

(C) whether all expenditures by the Foundation from the proceeds of such surcharges during the fiscal year of the Foundation for which the audit is conducted were for authorized purposes.

(3) RESPONSIBILITY OF FOUNDATION TO ACCOUNT FOR EXPENDITURES OF SURCHARGES.—The Foundation shall take appropriate steps, as a condition for receiving any payment of any amount derived from the proceeds of any surcharge imposed on the sale of coins issued under this Act, to ensure that the receipt of the payment and the expenditure of the proceeds of such surcharge by the Foundation in each fiscal year of the Foundation can be accounted for separately from all other revenues and expenditures of the Foundation.

(4) SUBMISSION OF AUDIT REPORT.—Not later than 90 days after the end of any fiscal year of the Foundation for which an audit is required under paragraph (1), the Foundation shall—

(A) submit a copy of the report to the Secretary of the Treasury; and

(B) make a copy of the report available to the public.

(5) USE OF SURCHARGES FOR AUDITS.—The Foundation may use any amount received from payments derived from the proceeds of any surcharge imposed on the sale of coins issued under this Act to pay the cost of an audit required under paragraph (1).

(6) WAIVER OF SUBSECTION.—The Secretary of the Treasury may waive the application of any paragraph of this subsection to the Foundation for any fiscal year after taking into account the amount of surcharges which such Foundation received or expended during such year.

(7) AVAILABILITY OF BOOKS AND RECORDS.—The Foundation shall provide, as a condition for receiving any payment derived from the proceeds of any surcharge imposed on the sale of coins issued under this Act, to the Inspector General of the Department of the Treasury or the Comptroller General of the United States, upon the request of such Inspector General or the Comptroller General, all books, records, and workpapers belonging to or used by the Foundation, or by any independent public accountant who audited the Foundation in accordance with paragraph (1), which may relate to the receipt or expenditure of any such amount by the Foundation.

(c) USE OF AGENTS OR ATTORNEYS TO INFLUENCE COMMEMORATIVE COIN LEGISLATION.—No portion of any payment to the Foundation from amounts derived from the proceeds of surcharges imposed on the sale of coins issued under this Act may be used, directly or indirectly, by the Foundation to compensate any agent or attorney for services rendered to support or influence in any way legislative action of the Congress relating to the coins minted and issued under this Act.●

Mr. MURKOWSKI. I wonder if my friend from New York will make sure I am added as a cosponsor.

Mr. D'AMATO. I am delighted. I ask unanimous consent that Senator MURKOWSKI be added as a cosponsor.

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

By Mr. GREGG:

S. 2137. A bill to amend title 18, United States Code, to make misuse of information received from the National Crime Information Center a criminal offense; to the Committee on the Judiciary.

THE NATIONAL CRIME INFORMATION CENTER DATABASE PROTECTION ACT OF 1996

● Mr. GREGG. Mr. President, I introduce the National Crime Information Center [NCIC] Database Protection Act of 1996. This legislation will make it a Federal offense to purposely misuse the NCIC data base.

The NCIC was originally established in order to centralize information about outstanding warrants and criminal history of citizens of the United States. This data-base allows law enforcement agencies across the United States to have access to any information regarding suspected criminals within their jurisdictions. It is an indisputable fact that the NCIC has helped apprehend thousands of criminals over the years, including Timothy McVeigh, who allegedly bombed the Oklahoma City Federal building. By providing instantaneous and accurate information about individuals with criminal pasts, NCIC has helped reduce recidivism and identify those people who are dangerous to society.

It also is an indisputable fact that those individuals whose names are included on the data-base have a right to privacy. They have a right to feel secure that their information will be available only to law enforcement and that the information will be accessed only when it is necessary for law enforcement to perform their prescribed duties.

Over the past several years, there have been instances when the NCIC has been used by individuals other than law enforcement officers to check the backgrounds of individuals who are not having a routine background check or under suspicion of a crime. In some cases, law enforcement officers themselves have used the data-base improperly. For instance, NCIC was used by a drug gang in Pennsylvania to identify narcotics agents. The gang got the NCIC information through a corrupt police officer.

NCIC was used by an Arizona law enforcement official to locate his ex-girlfriend and kill her. The data-base has also been used by private detectives doing background investigations on political candidates.

Unfortunately, these chilling tales are becoming far too common and there is no ready mechanism under which the perpetrators of these crimes can be prosecuted for misusing the NCIC data-base.

There is an obvious need for a law that states in no uncertain terms that the NCIC should not be readily available to any non-law enforcement officers or for any unofficial purposes. We need to send a message that those who are caught violating the privacy of others through NCIC will be prosecuted to the full extent of the law.

I urge my fellow Senators to support this legislation and join in my outrage at the ease with which NCIC information is available to criminals. Our Nation's private citizens are not safe from those who would exploit their personal information.

I ask unanimous consent that the provisions in the bill be included in the RECORD.

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

S. 2137

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

SECTION 1. MISUSE OF INFORMATION RECEIVED FROM THE NATIONAL CRIME INFORMATION CENTER.

(a) IN GENERAL.—Chapter 101 of title 18, United States Code, is amended by adding at the end the following:

''§ 2077. Misuse of information received from the National Crime Information Center.

''Whoever obtains information from the National Crime Information Center without authorization under law or uses information lawfully received for purposes not authorized by law shall be fined under this title or imprisoned not more than 3 years, or both.''.

(b) CLERICAL AMENDMENT.—The chapter analysis for chapter 101 of title 18, United States Code, is amended by adding at the end the following:

''2077. Misuse of information received from the National Crime Information Center.''.●

By Mr. GREGG:

S. 2138. A bill to clarify the standards for State sex offender registration programs under the Jacob Wetterling Crimes Against Children and Sexually Violent Offender Registration Act; to the Committee on the Judiciary.

THE JACOB WETTERLING CRIMES AGAINST CHILDREN AND SEXUALLY VIOLENT OFFENDER REGISTRATION AMENDMENTS OF 1996

● Mr. GREGG. Mr. President, I introduce the Jacob Wetterling Crimes Against Children and Sexually Violent Offender Registration Amendments of 1996.

The current Jacob Wetterling Act is an effective and responsible way to keep track of sexually violent predators, especially those who prey on our children. This act requires States to implement a program through which these types of offenders, once on parole, must register their places of residence with State and local law enforcement agencies. I have always supported the premise behind this provision in the 1994 crime bill, as I believe it provides law enforcement with the information necessary to locate prior offenders, should they strike again.

I was particularly pleased to support this provision because New Hampshire has had an exemplary sex offender registration program for several years. In fact, the Department of Justice has complimented the Granite State's program as one of the best in the Nation.

Despite my support of the Jacob Wetterling Act, I call on the Senate to amend this legislation because it has come to my attention that this act has established parameters for compliance that are too restrictive. In fact, according to the Department of Justice, while most States have established successful sex offender registration programs, not one is in compliance with the narrowly drawn provisions outlined in the bill.

This fact is particularly distressing considering that the penalty for noncompliance is the loss of 10 percent of that State's Edward Byrne Memorial Grant funds. States that already run successful registration programs do not deserve such a penalty.

The amendments that I propose will allow States to be in compliance with Jacob Wetterling while retaining their own unique system of registering sexually violent offenders.

First, this legislation would allow States to devise their own way of registering paroled offenders. Current law requires States to conduct a mail registration system, which is costly. In New Hampshire and other States, the current system requires offenders to register in person at their local police departments. My amendments would allow these States to retain their current, successful systems.

Second, my bill would amend the current provision that requires States to create a board of experts, whose purpose is to determine whether an offender should be labeled as sexually violent and required to register. My amendment would allow States to make this determination through an assessment of the individual for purposes of a sentencing enhancement determination. My own State of New Hampshire is an example of the latter situation in that all people required to register have been designated as sexually violent by a psychiatrist at the time of sentencing. In New Hampshire, no State board needs to be created.

Finally, my bill would allow sex offenders to first register with local law enforcement agencies, who then pass the information to the State, the FBI, and other appropriate agencies.

These amendments simply recognize that it is not the role of the Federal Government to devise each State's system for dealing with its paroled offenders. Each State's methods and needs are different. The Federal Government should not mandate that each of them conduct identical programs.

I ask unanimous consent that the provisions in the bill be included in the RECORD.

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

S. 2138

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

SECTION 1. AMENDMENT OF STANDARDS FOR STATE SEX OFFENDER REGISTRATION PROGRAMS.

Section 170101 of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322) is amended—

(1) in subsection (a)(1), by striking ''with a designated State law enforcement agency'' in each of subparagraph (A) and subparagraph (B);

(2) in subsection (a)(2), by inserting before the period the following: '', or pursuant to an assessment for purposes of a sentencing enhancement determination'';

(3) in subsection (a)(3)(C), by inserting before the period the following: '', or means a person who has been convicted of a sexually violent offense and has received an enhanced sentence based on a determination that the person is a serious danger to others due to a gravely abnormal mental condition'';

(4) in subsection (b)(1)(A)—

(A) in clause (ii), by striking ''give'' and all that follows through ''days'' and inserting ''report the change of address as provided by State law''; and

(B) in clause (iii), by striking ''shall register'' and all that follows through ''requirement'' and inserting ''shall report the change of address as provided by State law and comply with any registration requirement in the new State of residence'';

(5) by amending paragraph (2) of subsection (b) to read as follows:

''(2) TRANSFER OF INFORMATION TO STATE AND THE FEDERAL BUREAU OF INVESTIGATION.—The officer, or in the case of a person placed on probation, the court, shall forward the registration information to the agency responsible for registration under State law. State procedures shall ensure that the registration information is available to a law enforcement agency having jurisdiction where the person expects to reside, that the information is entered into the appropriate State records or data system, and that conviction data and fingerprints for registered persons are transmitted to the Federal Bureau of Investigation.'';

(6) in subsection (b)(3)(A)—

(A) in the matter preceding clause (i), by inserting after ''(a)(1),'' the following: ''State procedures shall provide for verification of address at least annually. Such verification may be effected by providing that'';

(B) in clause (i), by striking ''The designated State law enforcement'' and inserting ''A designated'';

(C) in clause (ii), by striking ''State law enforcement'';

(D) in clause (iii), by striking ''to the designated State law enforcement agency''; and

(E) in clause (iv), by striking ''State law enforcement'';

(7) in subsection (b)(4), by striking ''section reported'' and all that follows through ''requirement'' and inserting the following: ''section shall be reported by the person in the manner provided by State law. State procedures shall ensure that the updated address information is available to a law enforcement agency having jurisdiction where the person will reside and that the information is entered into the appropriate State records or data system.'';

(8) in subsection (b)(5), by striking ''shall register'' and all that follows through ''requirement'' and inserting ''who moves to another State shall report the change of address to the responsible agency in the State the person in leaving, and shall comply with any registration requirement in the new State of residence. The procedures of the State the person is leaving shall ensure that notice is provided to an agency responsible for registration in the new State, if that State requires registration''; and

(9) in subsection (d)(3), by striking ''the designated'' and all that follows through ''State agency'' and inserting ''the State or any agency authorized by the State''.●

By Mrs. MURRAY:

S. 2139. A bill to amend title 49, United States Code, to require the use of child safety restraint systems approved by the Secretary of Transportation on commercial aircraft, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE CHILDREN'S AIRLINE SAFETY ACT OF 1996

● Mrs. MURRAY. Mr. President I introduce legislation that would protect our Nation's small children as they travel on aircraft. We currently have Federal regulations that require the safety of passengers on commercial flights. However, neither flight attendants nor an infant's parents can protect unrestrained infants in the event of an airline accident or severe turbulence. A child on a parent's lap will likely break free from the adult's arms as a plane takes emergency action or encounters extreme turbulence.

This child then faces two serious hazards. First, the child may be injured as they strike the aircraft interior. Second, the parents may not be able to find the infant after a crash. The United/Sioux City, IA crash provides one dark example. On impact, no parent was able to hold on to her/his child. One child was killed when he flew from his mother's hold. Another child was rescued from an overhead compartment by a stranger.

In July 1994 during the fatal crash of a USAir plane in Charlotte, NC, another unrestrained infant was killed when her mother could not hold onto her on impact. The available seat next to the mother survived the crash intact. The National Transportation Safety Board believes that had the baby been secured in the seat, she would have been alive today. In fact, in a FAA study on accident survivability, the agency found that of the last nine infant deaths, five could have survived had they been in child restraint devices.

Turbulence creates very serious problems for unrestrained infants. In four separate incidences during the month of June, passengers and flight attendants were injured when their flights hit sudden and violent turbulence. In one of these, a flight attendant reported that a baby seated on a passenger's lap went flying through the air during turbulence and was caught by another passenger. This measure is endorsed by the National Transportation Safety Board and the Aviation Consumer Action Project.

We must protect those unable to protect themselves. Just as we require seatbelts, motorcycle helmets, and car seats, we must mandate restraint devices that protect our youngest citizens. I urge my colleagues to support

this legislation that ensures our kids remain passengers and not victims.●

By Mr. DORGAN (for himself, Mrs. FEINSTEIN, Mr. EXON, and Mr. D'AMATO):

S. 2140. A bill to limit the use of the exclusionary rule in school disciplinary proceedings; to the Committee on the Judiciary.

THE SAFER SCHOOLS ACT OF 1996

Mr. DORGAN. I come to the floor, Mr. President, along with my colleague, Senator FEINSTEIN, from California, to introduce legislation that will help keep our kids safe from gun violence in school. It is late in the session to do this, but I am joined in this effort by the Senator from California, Mrs. FEINSTEIN, the Senator from Nebraska, Mr. EXON, and the Senator from New York, Mr. D'AMATO. I want to describe what this legislation is and why it is necessary at this point.

Yesterday, in the Washington Post, there was a tiny little paragraph at the bottom of a section called ''Around the Nation.'' It is the smallest of paragraphs describing the fate of a man named Horace Morgan. Horace Morgan was a teacher who, as reported in yesterday's news, was killed trying to break up a fight at a school for problem students in Scottdale, GA. He was fatally shot by a teenager. He had taught English and language arts at the De Kalb County Alternative School for 10 years. This teacher died of multiple gunshot wounds. A 16-year-old student was arrested. This was not headlines. It was not the front section. It was not on the front page—a tiny little paragraph in the newspaper about a teacher being shot in school, a teacher named Horace Morgan dying of multiple gunshot wounds.

The point is that it is not so uncommon that it warrants headlines in this country when a student shoots and kills a teacher. About 2 years ago, Senator FEINSTEIN and I wrote the Gun-Free Schools Act, which is now law. The Gun-Free Schools Act says there shall be zero tolerance on the issue of guns in schools—no excuses, no tolerance. Guns do not belong in schools. Schools are places of learning. Students cannot bring guns to school to threaten other students. Bring a gun to school and you will be expelled for 1 year—no tolerance, no excuses, no ifs, ands or buts. No guns in schools. Bring a gun, you are expelled for a year. That is now the law.

A week ago yesterday, I came to the Senate floor and again spoke on the issue of guns in schools. I did this because, as I was shaving in the morning getting ready for work, I heard a news piece on NBC television that so infuriated me I wanted to address it right away. The news story was about an appellate court in New York that had ruled a student who brought a gun to school should not have been expelled for a year because the security aide who found the gun did not have reasonable suspicion to search the student.

The facts of this case made me so angry because it simply stands common sense on its head. In 1992, Juan C. was stopped by a school security aide who said he saw a bulge resembling the handle of a gun inside Juan's leather jacket. The aide grabbed for the bulge, which was indeed a loaded .45 semiautomatic handgun.

Juan was expelled for school for one year. This internal disciplinary action is consistent with the requirements of the Gun-Free Schools Act. Juan was also changed with criminal weapons violations.

The family court that heard Juan's criminal case ruled that the security guard did not have reasonable suspicion to search this student. As a result, the court refused to admit the gun as evidence of Juan's guilt, relying on the judicially created mechanism known as an exclusionary rule.

The New York appellate court took this decision to ridiculous lengths by applying the exclusionary rule to the internal school disciplinary action against this student. In essence, this court was saying that the security aide in the school was to blame for catching this young student red-handed bringing a gun to school. They said he should not have been expelled and ordered his record expunged of any wrongdoing in the matter.

This is the most ludicrous decision from a court. If this ruling is allowed to stand, teachers and school administrators who know that a student is packing a gun will be powerless to act without a ''reasonable suspicion''—whatever that now is—that the gun exists. In some cases, like this one, it tells school officials to look the other way when they know a student is carrying a loaded gun.

I do not understand this thinking. What on Earth has happened to common sense? When you and I board an airplane, we voluntarily consent to security checks in order to preserve the safety and security of ourselves and other passengers. Now we have a court that says, ''Oh, but you can't have that same level of security with respect to kids in school. Yes, you can remove a gun from a passenger who is going on an airplane because it is unsafe, but you cannot remove a gun from the jacket of a 15-year-old who is carrying a loaded .45 semiautomatic pistol into a school.'' What has happened to common sense?

I am introducing a piece of legislation today that is painfully simple. So simple, in fact, that it ought not to have to be introduced. It simply says that you cannot exclude a gun as evidence in a disciplinary action in school. This bill returns to schools the most basic and necessary of disciplinary tools—the ability to keep classrooms safe from gun violence for the students who want to learn.

Let me emphasize that this bill does not violate the constitutional rights of kids. School officials who conduct unreasonable or unlawful searches will not be exonerated by this legislation, and people who have been aggrieved will be free to pursue any judicial or statutory remedies available to them. What they are not free to do—once they have been found with a gun—is slip through a school's disciplinary process and return to school where they can continue to threaten other kids and teachers. I do not want that kid in school with my children. I do not want that kid in school with the children of the Presiding Officer or any other citizen of this country. When a kid puts a semiautomatic pistol, loaded, in his waistband or jacket and heads off to school, if my children or the children of any American citizen are in that school, I want that kid expelled and out immediately.

If our court system does not understand that, then there is something wrong with our court system. Never again, in this country, should we have a circumstance where a court says that, even though a student is caught red-handed with a loaded gun, the security guard who finds it should pat the kid on back and say, ''Sorry, I really should not have seen that. You go to class now.''

No wonder people are angry in this country about a system that excuses everything. I know people will say to me, ''How dare you personalize this? How dare you criticize a judge?'' But who is a judge? Judges are public servants, paid for with public money. I want judges to make thoughtful, reasonable decisions.

When judges, just as when other public officials come up with decisions that defy all common sense, we have a right to be publicly critical. Certainly in this case we have a right to offer legislation to say there ought not be one school district in America that has any other than zero tolerance for guns in schools. There ought not be one judicial jurisdiction in this country that is able to say to any school board, any principal, or any teacher, that a kid bringing a gun to school ought to be sent back to a classroom because someone had no right to find the gun.

If we have a right to ensure the security of passengers who get on airplanes in this country, and we do, then we have a right to ensure the safety of teachers and children in our public schools. If we do not have that right, if we cannot take the first baby step in making sure that places of learning are safe, then we cannot take any step in improving our educational system in America.

I offer this bill in the spirit of bipartisanship. There are Republicans and Democrats who have joined me in offering it. I recall a couple years ago, at the end of a legislative session just like we are now, when Senator FEINSTEIN and I were trying very hard to save the provision that we had put in law saying we ought to adopt a zero tolerance on guns in schools. At the time, I shared a story with my colleagues. I know it is repetitious but it is important, so I am

going to tell it again. I do not know about the subject of guns in schools so much from my hometown because I come from North Dakota, a town of 300, a high school class of nine; a small school. We did not have so many of the problems that so many schools have now.

But a few years ago I toured a school not very far from this Capitol building. That school had metal detectors and security guards. A month later, a student at that school bumped a student who was taking a drink at a water fountain and the student taking the drink, after he was bumped, pulled out a pistol, turned around, and shot the other student four times. The name of the young man who was shot is Jerome. He survived; critically wounded, but he survived. I visited with Jerome after that. He has since graduated.

But I was trying to understand, what is happening here? What is happening that a child who bumps another child in a lunchroom finds himself facing a loaded pistol and is shot four times? I do not even begin to understand it. But I do not need to begin to understand it to know that we ought, in every circumstance, under every condition, decide to fight to make certain that people are not bringing guns into our schools. Our schools ought to be safe havens, places of learning where our young boys and girls come, believing they are going to learn during that day and be safe while they are learning.

That is why we introduced the legislation 2 years ago. I am very surprised we are here on the floor of the Senate talking again about this issue, but we are here because of a court decision that stands logic on its head. When they do that, I will come to the floor again, and again, and again, and introduce legislation that restores some common sense on this issue.

Mr. President, let me say again that I appreciate the opportunity to work closely with the Senator from California on this issue. Mr. President, I yield the floor, and I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2140

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Safer Schools Act of 1996''.

SEC 2. SAFER SCHOOLS.

(a) IN GENERAL.—Section 14601(b)(1) of the Gun-Free Schools Act of 1994 (20 U.S.C. 8921(b)(1)) is amended—

(1) by striking ''under this Act shall have'' and inserting the following: ''under this Act—

''(A) shall have'';

(2) by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(B) beginning not later than 2 years after the date of enactment of the Safer Schools Act of 1996, shall have in effect a State law or regulation providing that evidence that a student brought a weapon to a school under the jurisdiction of the local educational agencies in that State, that is obtained as a result of a search or seizure conducted on school premises, shall not be excluded in any school disciplinary proceeding on the ground that the search or seizure was in violation of the fourth amendment to the Constitution of the United States.''.

(b) REPORT TO STATE.—Section 14601(d) of the Gun-Free Schools Act of 1994 (20 U.S.C. 8921(d)) is amended—

(1) in paragraph (1), by striking ''the State law required by'' and inserting ''each State law or regulation''; and

(2) in paragraph (2), by striking ''subsection (b)'' and inserting ''subsection (b)(1)(A)''.

(c) REPORT TO CONGRESS.—Section 14601(f) of the Gun-Free Schools Act of 1994 (20 U.S.C. 8921(f)) is amended by inserting ''of subsection (b)(1)(A)'' before ''of this''.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. I thank the Chair.

Mr. President, I thank the Senator from North Dakota for his leadership on this issue. I have been very proud to cosponsor the bill with him, and it has been a very important bill in California.

I will never forget going to a school in Hollywood, CA, speaking to a fourth grade class and asking that class, What is your No. 1 fear?

Do you know what it was? It was getting shot in class or on the way to school. I didn't believe it, so I asked the class: Well, how many of you have even heard gunshots? In the fourth grade of this Hollywood elementary school, every single hand went up.

Then I remember going to Reseda High School and embracing a mother whose son had been shot in a hallway for no reason at all, just shot dead by another student. That is when I came back and sort of firmed up my resolve to really try to do something about it.

In 1993—this is the year before we passed this bill, gun-free schools—the Oakland school officials confiscated 60 guns; Fresno school officials confiscated 43 guns; San Jose, 175 guns; Los Angeles, 256 guns; Long Beach, 37 guns; and San Diego, 30 guns.

These are the schools of California. Who can learn when a youngster has a .45 in their pocket? I don't think your son or daughter could learn. I know my son or daughter or granddaughter couldn't learn in a school if guns are present. So this is a good bill.

I share the frustration of Senator DORGAN. I wasn't shaving that morning, but I did read the New York Times, and what I saw in the New York Times amazed me, because what it said was that no school security guard, seeing a bulge in a youngster's pocket, could go up to that youngster and say, ''What do you have in your pocket?''

If you see a bulge in somebody's pocket, you can have a reasonable belief that they are carrying a weapon, particularly in a day and age where we have 160,000 students a year going into schools with weapons. That is a reasonable belief if there is a bulge.

We know for a fact that many schools now have metal detectors, that many schools routinely search backpacks. What does this court finding do to these routine searches? I think it decimates them.

So we have submitted to you a bill which we hope will correct this. I know that gun-free schools work. In Los Angeles, when they put in a gun-free-school bill, gun incidents went down by 65 percent. In San Diego, gun incidents in school were cut in half.

What we contend is that any school that takes Federal money should have a zero tolerance policy for guns in that school. That means you bring a gun to school, you are expelled for 1 year. No ifs, ands, or buts, you go out. The superintendent has the ability to be able to see there is some alternative placement if that is available and to provide counseling for the youngster. But the point of this is, it has to be enforced. For the New York City Family Court to strike down a gun being entered into evidence that was confiscated by a bona fide security person in the course of their duties on school grounds to me just boggles my mind.

Let me talk just for a moment about what happens if this ruling stands and if we don't address it legislatively. I think it is really a shot in the back of school districts that are attempting to eliminate gun violence in their schools. How many school security guards and teachers will now hesitate to be just a little bit more vigilant in protecting the millions of good, innocent kids who are in our schools? How many overworked and underpaid teachers, fearful for their safety, will decide that this is the last straw and simply turn away from teaching if they can't go out there and say, ''I think you may have something in your backpack that is contraband. Open it up.'' Or, ''Susie,'' or ''Jeff, what is that bulge in your pocket? Let me see what you have in your pocket.''

This raises the whole kind of commonsense aspect: Should a youngster in a school have the same privacy rights that a youngster in a home would have? I don't think so. I think a minor should be subject to search for contraband, to search for possession of a weapon, and if we let our laws in this country bend over so backward that a security guard or a teacher can't say, ''Show me what you have in that pocket,'' or ''Show me what I think you have in that backpack,'' or ''I have reason to believe you may have something you shouldn't have in your locker; I am going to open it up and look at it,'' I think any effort to protect youngsters in schools will go right out the window.

So I think that what we are trying to do today—Senator DORGAN, myself, I know I talked with Senator D'AMATO about this. I know he has said, ''Let's work together.'' I am delighted to see he is on this bill as well.

It is extraordinarily important that we get guns out of our schools, and this

court decision was just a major setback, because what it said is, you can't enter the gun into evidence, you can't make it stick. I cannot fathom how any judge could do this.

I am not entirely sure that the remedy we present today is the full remedy that we need. I think it may even need beefing up in itself. But I think it is a real start in the right direction, and I think it is extraordinarily important that Senators on both sides of the aisle really state to the public their belief that guns must not be brought to school, that knives must not be brought to school, that drugs, for that matter, should not be brought to school, and that we reinforce this in every way, shape or form we can legislatively.

I am very, very pleased and proud to join with the Senator from North Dakota, once again, in hopes that this body will take prompt action in the early part of the next session. My hope also is, as this case proceeds on appeal, that common sense may reign. I cannot believe that the Framers of the Constitution of the United States of America wanted a situation whereby a youngster could be search-proof in a school for a weapon of destruction.

By Mrs. FEINSTEIN:

S. 2141. A bill to amend the Internal Revenue Code of 1986 to permit certain tax free corporate liquidations into a 501(c)(3) organization and to revise the unrelated business income tax rules regarding receipt of debt-financed property in such a liquidation; to the Committee on Finance.

CHARITABLE GIVING TAX LEGISLATION

● Mrs. FEINSTEIN. Mr. President, I introduce legislation to strengthen tax incentives to encourage more charitable giving in America. The legislation would represent an important step and encourage greater private sector support of important educational, medical, and other valuable programs in local communities across the country.

Americans are among the most caring in the world, contributing generously to charities in their communities:

American families contribute, on average, nearly $650 per household, or about $130 billion, per year, to charities.

Approximately, three out of every four households give to nonprofit charitable organizations.

However, charities are very concerned for the future, anticipating a decline in Federal social spending to address urgent needs like childrens' services, homelessness, job training, health and welfare, just as the need for help accelerates.

Nonprofit charities are very concerned about their ability to maintain their current level of services, let alone expand to meet the increasing demand for services. While charitable contributions grew by 3.7 percent in 1994, contributions for human services, the area most closely associated with poverty programs, dropped by 6 percent.

Private charities can never replace government programs for national social priorities. However, nonprofit charities across America play a critical role in providing vital services to people in need. The Federal Government needs to take steps to ensure we are doing everything we can to encourage private charitable support to supplement government programs and government support.

The Federal Government needs to take steps to encourage greater private sector support. Government must provide both the leadership and the incentives to encourage more private, charitable giving through the tax code. Analysts believe the gift of closely held business stock is an underutilized source of potential funds for charitable activities that warrants closer attention and legislative remedies.

A closely held business is a corporation, in which stock is issued to a small number shareholders, such as family members, but is not publicly traded on a stock exchange. This business form is very popular for family businesses involving different generations.

However, today, the tax cost of contributing closely-held stock to a charity or foundation can be prohibitively high. The tax burden discourages families and owners from winding down a business and contributing the proceeds to charity. This legislation would permit certain tax-free liquidations of closely held corporations into one or more tax exempt 501(c)(3) organizations.

Under current law, a corporation may have to be liquidated to effectively complete the transfer of assets to the charity for its use, incurring a corporate tax at the Federal rate of 35 percent. In 1986, Congress repealed the ''General Utilities'' doctrine, imposing a corporate level tax on all corporate transfers, including those to tax exempt charitable organizations. Additionally, a charitable organization could also be subject to taxation on its unrelated business income from certain types of donated property.

These tax costs make contributions of closely held stock a costly and ineffective means of transferring resources to charity. If the Federal Government is going to find new ways to encourage charitable giving, we need to look at these tax costs which undercut both the incentive to give and the potential value of any charitable gift.

Governments at the Federal, State, and local level, are reducing spending in all areas of their budgets, including spending for social services. Public charities and private foundations already distribute funds to a diverse and wide ranging group of social support organizations at the community level. Congressional leaders have looked to private charities in our religious institutions, our schools and communities, to fill the void created by government cut-backs. However, volunteers are already hard at work in their communities and charitable funding is already stretched dangerously thin. Charities need added tools to unlock the public's desire to give generously. We need to create appropriate incentives for the private sector to do more.

In California and throughout the country, volunteer and charitable organizations, together, perform vital roles in the community and they deserve our support. Allow me to provide a few examples, which could be repeated in any town across America:

Summer Search: In San Francisco, the Summer Search Foundation is hard at work preventing high school students from dropping out of school. Summer Search helps students not only successfully complete high school but, for 93 percent of the participants, go on to college. By increasing charitable contributions, groups like Summer Search can help keep kids in school and moving forward toward graduation and a more productive contribution to the Nation.

Drew Center For Child Development: Dramatic increases in the number of child abuse and neglect cases, which now total nearly 3 million children in the United States, is deeply troubling for everyone. We must do everything to prevent these cases, but cutbacks in Social Services block grants will impose new burdens on local communities. Charitable support can be a small part of the solution.

Drew Child Development, a child care and development center in the Watts neighborhood of Los Angeles, works directly with children and families involved in child abuse environments. Unfortunately, these 130 families in which the Drew Center supports is not the end of the story. There are thousands of other families that could benefit from this child abuse treatment program if more resources were available.

The Drew Center expects cuts in government funding. They anticipate that they will have to cut counselor positions and turn needy families away. Stronger incentives for private sector giving would provide the Drew Center with some of the resources needed to combat this enormous problem.

The Chrysalis Center: In 1993 I visited the Chrysalis Center, a nonprofit organization in downtown Los Angeles dedicated to helping homeless individuals find and keep jobs. Chrysalis provides employment assistance, from training in job-seeking skills to supervised searches for permanent employment. In 1995, the center helped over 750 people find work, and has helped place more than 3,000 people in permanent, full-time jobs in the last decade.

However, there are still an estimated 15,000 homeless individuals in the Los Angeles area that are able to work. Most of these men and women, however, lack literacy skills and the resources to move from the streets to full-time employment. With increased charitable contributions, Chrysalis would be able to offer hope and opportunity for thousands more.

Today, I introduce tax incentive legislation to encourage stronger support for the Nation's vital charities. The proposal:

Eliminates the corporate tax upon liquidation of a qualifying closely-held corporation under certain circumstances. The legislation would require 80 percent or more of the stock to be bequeathed to a 501(c)(3) tax-exempt organization; and

Clarifies that a charity can receive mortgaged property in a qualified liquidation, without triggering unrelated business income tax for a period of 10 years. This change parallels the exemption from unrelated business income tax provided under current law for direct transfers by gift or bequest.

Under the legislation, the individual donor would receive no tax benefit from the proposal, as the tax savings generated would increase the funds available for the charity.

By eliminating the corporate tax upon liquidation, Congress would encourage additional, and much needed, charitable gifts. Across America, countless thousands have built successful careers and have generated substantial wealth in closely-held corporations. As the individuals age and plan for their estate, we should help them channel their wealth to meet philanthropic goals. Individuals who are willing to make generous bequests of companies and assets, often companies they have spent years building, should not be discouraged by substantially reducing the value of their gifts through Federal taxes.

While the Joint Tax Committee has not yet prepared an official revenue cost, previous estimates suggest a 7-year cost of about $600 million.

However, the revenue estimate represents the expectation of significant transfer to charity as a result of the legislation. By the same techniques used to estimate the tax cost to Treasury, we estimate between $3 and $5 billion in charitable contributions would be stimulated by this tax change. This tax proposal may generate as much as seven times its revenue loss in expanded charitable giving.

The legislation has been endorsed by the Council on Foundations, the umbrella organization for foundations throughout the country, and the Council of Jewish Federations.

I am pleased to add my colleagues MARK HATFIELD, of Oregon, SLADE GORTON of Washington and MAX BAUCUS, of Montana, as co-sponsors of the legislation. I encourage others to review this legislation and listen to the charitable sectors in your community. During this past year, the proposed legislation went through several different revisions in order to sharpen the bill's focus and target the legislation in the most effective manner. I want to encourage the review process to continue, so we may continue to build support and target the bill's impact for the benefit of the Nation's nonprofit community.

With virtually limitless need, we must look at new ways to encourage and nurture a strong charitable sector. The private sector cannot begin to replace the government role, but if the desire to support charitable activity exists, we should not impose taxes to deplete the value of that support.

Tax laws should encourage, rather than impede, charitable giving. By inhibiting charitable gifts, Federal tax laws hurt those individuals that most need the help of their government and their community.

I request unanimous consent to have the legislation and section-by-section analysis printed in the RECORD.

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

S. 2141

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

SECTION 1. ELIMINATION OF CORPORATE LEVEL TAX UPON LIQUIDATION OF CLOSELY HELD CORPORATIONS UNDER CERTAIN CONDITIONS.

(a) IN GENERAL.—Paragraph (2) of section 337(b) of the Internal Revenue Code of 1986 (relating to treatment of indebtedness of subsidiary, etc.) is amended—

(1) by striking ''Except as provided in subparagraph (B)'' in subparagraph (A) and inserting ''Except as provided in subparagraph (B) or (C)'', and

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

''(C) EXCEPTION IN THE CASE OF STOCK ACQUIRED WITHOUT CONSIDERATION.—If the 80-percent distributee is an organization described in section 501(c)(3) and acquired stock in a liquidated domestic corporation from either a decedent (within the meaning of section 1014(b)) or the decedent's spouse, subparagraph (A) shall not apply to any distribution of property to the 80-percent distributee. This subparagraph shall apply only if all of the following conditions are met:

''(i) Eighty percent or more of the stock in the liquidated corporation was acquired by the distributee, solely by a distribution from an estate or trust created by one or more qualified persons. For purposes of this clause, the term 'qualified person' means a citizen or individual resident of the United States, an estate (other than a foreign estate within the meaning of section 7701(a)(31)(A)), or any trust described in clause (i), (ii), or (iii) of section 1361(c)(2)(A).

''(ii) The liquidated corporation adopted its plan of liquidation on or after January 1, 1997.

''(iii) The 80-percent distributee is an organization created or organized under the laws of the United States or of any State.

Nothing in subsection (d) shall be construed to limit the application of this subsection in circumstances in which this subparagraph applies.''.

(b) REVISION OF UNRELATED BUSINESS INCOME TAX RULES TO EXEMPT CERTAIN ASSETS.—Subparagraph (B) of section 514(c)(2) of the Internal Revenue Code of 1986 (relating to property acquired subject to mortgage, etc.) is amended by inserting ''or pursuant to a liquidation described in section 337(b)(2)(C),'' after ''bequest or devise,''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SECTION BY SECTION DESCRIPTION

Amending the Internal Revenue Code to permit certain tax free corporate liquidations into 501(c)(3) organizations and to revise the Unrelated Business Income Tax (UBIT) rules regarding the receipt of mortgaged property in a corporate liquidation:

Section 1: Establishes an exception under IRC section 337 to permit a tax-free liquidation of a corporation into a charitable organization under IRC section 501(c)(3) when eighty percent or more of the corporation is dedicated to the charity through a bequest at death by a US citizen or resident of the US, an estate or trust.

Section 2: Expands the current law ten year exemption from the Unrelated Business Income Tax to include entities receiving mortgaged assets in a corporate liquidation. When a tax exempt entity receives mortgaged property from a corporate liquidation covered by section one of this bill, no Unrelated Business Income Tax would be imposed for 10 years.

Section 3: The amendment takes effect upon date of enactment for corporate plans of liquidation adopted on or after January 1, 1997.●

By Mr. WARNER (for himself, Mr. GRAHAM, Mr. INHOFE, Mr. COATS, Mr. LUGAR, Mr. GRAMM, Mrs. HUTCHISON, Mr. ROBB, Mr. FAIRCLOTH, Mr. HOLLINGS, Mr. MCCONNELL, Mr. FORD, and Mr. NICKLES):

S. 2143. A bill to authorize funds for construction of highways, and for other purposes; to the Committee on Environment and Public Works.

THE ISTEA INTEGRITY RESTORATION ACT

Mr. WARNER. Mr. President, I am pleased to introduce today, along with my distinguished colleague from Florida, Mr. GRAHAM, the ISTEA Integrity Restoration Act. We have a number of cosponsors, I am pleased to say, whom I shall not list. But it is a bipartisan group.

As chairman of the Subcommittee on Transportation and Infrastructure, and the distinguished Senator from Florida is a member of my subcommittee, we do this on behalf of many Senators and invite others, hearing of this introduction at this time, to consider adding their names as cosponsors.

This legislation is the product of 2 years of work on the part of many Senators and, indeed, specifically a group of States, 21 in number, known as STEP–21. The goals of this group of States, referred to as STEP–21, are incorporated in this legislation. This group shares, among those goals, that of ensuring that our surface transportation system is prepared to respond to the economic challenges of the 21st century.

The current surface transportation authorization bill, known as ISTEA—I might refer to it as ISTEA 1, and next year I, hopefully, will be a part of the legislating group to provide for ISTEA 2—but ISTEA 1 expires September 30, 1997. So it is imperative that the Congress of the United States draft and legislate ISTEA 2 next year.

American products are reaching domestic and international markets in shorter times. Manufacturing plants are reducing inventories and relying on just-in-time deliveries. I visited an industrial plant in my State, in Luray,

VA, which is primarily making blue jeans. I asked them, ''How do you compete with the low-cost labor market in Asia? Indeed, how do you compete with the European markets?'' They came straight to the point. No. 1, the hard work delivered by the citizens of Virginia in that plant. But, No. 2, it is very clear, is turnaround time. We get an order in, we fill the boxes, we put it on the truck, and that truck turns around and goes back, back to the purchasers in a very short period of time. Mr. President, that turnaround time, that ability to turn goods around on the roads as they exist in America today that will exist even in better form tomorrow through improved bridges and other forms of transportation, that gives us an edge in this ''one world market'' to beat those other competitors.

Throughout Virginia, all types of industries tell me that their ability to get the goods to domestic or international markets makes the difference in their competitiveness here at home, indeed, and worldwide. In this one-world market, our existing modern transportation system is probably one of the major factors that gives us such a competitive edge as we have here today. But we must improve that for a tougher competitive environment of tomorrow.

We are a mobile society here in the United States, but our transportation challenges are growing as we face an aging surface transportation system. As we work to develop a national consensus on transportation policy, I remain committed to a future that provides for easier access for every community to a modern, safer road system designed for ever-increasing volumes of traffic.

Responding to the congestion on our Nation's highways and the resulting lost productivity is a primary focus of the legislation we are introducing today, such that all in America can study it. And tomorrow, next year, we will begin work in response to the needs of our country.

It is not too early to begin the discussion, to ensure that the next multiyear surface transportation bill provides a system that:

First, effectively moves people and goods—that is more effectively;

Second, provides for the safety of the traveling public, and this Senator and, indeed, my colleague from Florida have always stood in the forefront for provisions which add safety to our transportation system;

Third, fosters a healthy economy;

Fourth, ensures a consistent level of performance and service among the 50 States and provides an equitable distribution of highway trust funds that responds to the challenging demographics in America.

These are our national priorities that must be met.

The legislation Senator GRAHAM and I are introducing today is a sound approach that meets these priorities.

With the completion of the Interstate Highway System, the mobility of Americans has steadily increased.

Every day we commute longer distances to our jobs. We travel longer distances for vacations or to visit friends and family.

In testimony before the Transportation and Infrastructure Subcommittee this year, Secretary of Transportation Peña indicated that gridlock on our Nation's highways wastes $30 billion annually. The ISTEA Integrity Restoration Act addresses this critical problem by redirecting Federal dollars to our States on a more equitable basis.

Our legislation also builds upon the successes of ISTEA by: preserving public participation and the role of local governments in transportation decision-making; continuing the national goal of intermodalism; expanding State and local authority to determine transportation priorities; and, increasing the flexibility to use transportation dollars on other modes of transportation that improve air quality, facilitates the flow of traffic or enhances the preservation of historic transportation facilities.

The ISTEA Integrity Restoration Act continues to move our surface transportation policy forward. It responds to the single most glaring failure of ISTEA by modernizing our outdated Federal apportionment formulas.

Virginia and many other States have historically been ''donor'' States—sending more into the Highway Trust Fund that we receive in return.

This legislation addresses the needs of the ''donor'' States and also recognizes the demands of our rural States and small States with dense populations.

This bill is an honest, good-faith effort to reduce the extremes in the funding formulas. It provides that all States should receive at least 95 percent of the funds their citizens pay into the highway trust fund by way of the Federal gas tax.

We are introducing this legislation today, near the end of the 104th Congress, to stimulate discussion among the States, local governments and various interested groups on how the Congress should approach the reauthorization of ISTEA.

As chairman of the Subcommittee on Transportation and Infrastructure of the Environment and Public Works Committee, the subcommittee will hold extensive hearings next year of ISTEA reauthorization.

I pledge to work with all of my colleagues to craft a multiyear reauthorization bill that addresses the issues I have outlined. I welcome all comments on the legislation I am introducing today as we share the common goal of providing for an efficient transportation system for the 21st century.

I want to credit my distinguished colleague from Florida, because the two of us, along with others, have stood toe-to-toe on this floor trying to bring into balance a more equitable system of allocation of the public highway trust funds donated by our respective States. As I said, some of our States, like Virginia and Florida, are referred to as donor States, meaning we send more to Washington than we get back. That must be adjusted next year.

Mr. GRAHAM. Mr. President, I appreciate the opportunity this afternoon to join my friend and colleague from Virginia in the introduction of this important legislation. I believe there are a couple of historical notes that should be made at this time.

First is, we are introducing legislation to carry on a program which will expire 368 days from today. By introducing this legislation today, we are giving to our colleagues—but more important to the millions of Americans who will be affected by this legislation—more than a year to give full consideration to the policy proposals which we are advancing.

We are doing that at the very time that, here on the Senate floor, other important matters are being denied that kind of full attention and exploration. I commend the Senator from Virginia for his vision and his farsightedness in making it possible for such a dispassionate, thoughtful consideration of this important legislation.

Mr. WARNER. Mr. President, I thank my distinguished colleague for helping draft the first blueprint of this exciting challenge for America.

Mr. GRAHAM. The second historical point is consistent with what my friend from Virginia has just said, and that is we are at a new point of departure for our surface transportation system. We could date the current era with adoption of the Interstate Highway Act during the administration of President Eisenhower. We have had a great national objective over almost a half century, to link America with the highest standards of highway engineering, design and construction and maintenance. We have largely accomplished the task that we set out for ourselves in the 1950's.

Now the question is, what will this generation's contribution be to America's transportation for the first half of the 21st century? The decisions that we will be making in 1997 will be an important step toward answering that question of what we shall do for the future of America's transportation.

I am pleased to cosponsor this important legislation which has a number of significant provisions. One of those provisions is the need for equity in the funding of our highway system. In report after report—and I bring to the Senate's attention just two of many. One, a report in 1985, ''Highway Funding, Federal Distribution Formulas Should Be Changed,'' which was produced prior to the 1991 act upon which we are currently distributing our Federal highway funds, and then a second dated November of 1995, 4 years after

the adoption of the 1991 Highway Act, which is entitled ''Highway Funding Alternatives for Distributing Highway Funds'' in which it states that ''the formula process in the current law is cumbersome, yielding a largely predetermined outcome and partially relies on outdated and irrelevant factors.''

So, Mr. President, in spite of repeated reports pointing out shortcomings in our past and current distribution laws, we still are subject to the criticism of being cumbersome, predetermined, and outdated and irrelevant in our distribution facts.

One of the important objectives of this legislation that we introduced today is to bring greater rationality and modernity into our distribution of highway funds while we also strive to give greater flexibility to the States that have the responsibility for administering these funds.

I am glad that we commenced the debate today. I look forward to more than a year of opportunity to move this idea into a form that can come before the Senate and our colleagues in the House for passage and to usher in a new postinterstate era for American highway transportation.

By Mr. D'AMATO (for himself, Mr. KERRY, Mr. FAIRCLOTH, Mr. PRESSLER, and Mr. DODD):

S. 2144. A bill to enhance the supervision by Federal and State banking agencies of foreign banks operating in the United States, to limit participation in insured financial institutions by persons convicted of certain crimes, and for other purposes; to the Committee on Banking, Housing, and Urban affairs.

THE FOREIGN BANK ENFORCEMENT ACT OF 1996

● Mr. D'AMATO. Mr. President, today I introduce the Foreign Bank Enforcement Act of 1996.

This legislation proposes a number of important modifications to statutes governing the activities of foreign banks operating in the United States. It reflects the recommendations of Federal and State bank regulators. It will enhance the ability of U.S. regulators to oversee the 275 foreign banks from 61 countries now operating in the United States.

The world's financial system is increasingly interconnected, and foreign banks operate in the United States to a greater degree than ever before. These banks now hold more than $1 trillion in U.S. banking assets and make approximately 30 percent of the amount of all loans to U.S. businesses.

The integrity of the U.S. financial system is one of our most important national assets. This asset is threatened whenever any bank—domestic or foreign—operating on our shores engages in misconduct or fraud. It is therefore imperative that U.S. bank regulators possess all of the tools necessary to supervise the U.S. operations of foreign banks with the same care and attention as those of our domestic banks.

Over the past several years, the activities of rogue traders at banks and securities firms have shaken world financial markets. Last year, the $1.3 billion in hidden losses from derivatives trading by Nicholas Leeson in Singapore brought down the venerable Barings Bank in Great Britain. In September 1995—and much closer to home—Federal bank regulators learned that Daiwa Bank's New York branch had incurred losses of $1.1 billion from the unauthorized trading activities of just one employee, Mr. Toshihide Iguchi, over a period of 10 years.

Mr. President, the Daiwa matter is particularly troubling. Although Daiwa senior management learned of these hidden trading losses of $1.1 billion in July 1995, they concealed the losses from U.S. bank regulators for almost 2 months. Even worse, Daiwa senior management directed Mr. Iguchi to continue his fraudulent transactions during July and August 1995 to avoid detection of the losses.

In November 1995, Federal and State bank regulators took the stern, but entirely appropriate step, of terminating all of Daiwa Bank's operations in the United States. The bank also paid a criminal fine of $340 million, and two of its officials entered guilty pleas to criminal offenses.

In the wake of the Daiwa scandal, I asked the Federal Reserve to conduct a full inquiry into this matter and to examine our existing scheme for regulating the U.S. activities of foreign banks. The Banking Committee also held a hearing in November 1995 on Daiwa and related matters at which Federal and State bank regulators testified.

Mr. President, it is clear that we must learn from the Daiwa scandal. Over the past year, the Banking Committee has worked with Federal and State regulators, including the Federal Reserve and the New York State Banking Department, to identify any limitations in the existing laws governing the U.S. operations of foreign banks.

After reviewing the recommendations of Federal and State bank regulators, I today introduce the Foreign Bank Enforcement Act. This legislation would make the following five changes to the statutory scheme now governing the U.S. operations of foreign banks.

First, it would clarify that the Federal Reserve possesses the statutory authority to set conditions for the termination of a foreign bank's activities in the United States. Under the International Banking Act of 1978, the Federal Reserve may order the complete termination of a foreign bank's branches and agencies in the U.S. This amendment would make explicit that the Federal Reserve also may issue, on an involuntary basis, a termination order that sets specific conditions on the termination of a foreign bank's U.S. activities. These conditions might include requiring the terminated bank to maintain the records of its U.S. activities in the U.S., to make its officials available in the U.S. to facilitate U.S. investigatory efforts, and to escrow funds in the U.S. to meet contingent liabilities after the foreign bank has left the U.S.

Second, this bill would clarify the authority of federal banking agencies to remove convicted felons from the banking industry. Under Section 8(g) of the Federal Deposit Insurance Act, the Federal Reserve and other Federal banking agencies may suspend and permanently bar from the banking industry persons convicted of certain felonies. This amendment would make clear that Federal banking agencies possess this authority with regard to persons who are not actually employed by a banking organization.

Third, the Foreign Bank Enforcement Act would expand the current automatic bar on the employment of persons convicted of a crime involving dishonesty, breach of trust, or money laundering. Under Section 19 of the Federal Deposit Insurance Act, a person convicted of such crimes may not work for an insured depository institution without the approval of the Federal Deposit Insurance Corporation; it does not expressly bar the future employment of a convicted person by a bank holding company, an Edge or Agreement corporation, or a U.S. branch or agency of a foreign bank. For instance, under the current Section 19, Mr. Iguchi, the senior Daiwa official who caused the bank's $1.1 billion trading loss, would not automatically be barred from working for another U.S. branch or agency of a foreign bank. This amendment would close this loophole.

Fourth, this legislation would increase the ability of the federal bank regulators to obtain from foreign bank supervisors critical examination and supervision-related information concerning foreign banks operating in the U.S. Specifically, it would amend the International Banking Act of 1978 to provide explicitly that federal bank regulators may keep confidential critical bank-examination information obtained from foreign supervisors. This provision would not protect such information from disclosure to Congress or to the courts and is similar to a provision in the securities laws that allows the SEC to maintain the confidentiality of information received from a foreign securities authority.

Finally, this bill would authorize Federal courts, upon a motion of a U.S. Attorney, to issue orders authorizing the disclosure of matters occurring before a grand jury to State bank regulators. Under current law, such disclosures may be made only to Federal bank regulators, and, as the Daiwa matter demonstrates, State bank regulators play an important role in the supervision of foreign banks operating in the U.S.

Mr. President, we must not allow loopholes in existing law to erode the confidence of the American people in the integrity of our financial system.

Congress must provide Federal and State bank regulators with all of the tools necessary to supervise fully the U.S. operations of foreign banks. The Foreign Bank Enforcement Act proposes a number of narrow, but important, changes in existing law. It reflects the recommendations of the Federal Reserve and other bank regulators. I urge the swift approval of this important legislation.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

S. 2144

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Foreign Bank Enforcement Act of 1966''.

SEC. 2. UNAUTHORIZED PARTICIPATION BY CONVICTED PERSONS.

Section 19 of the Federal Deposit Insurance Act (12 U.S.C. 1829) is amended—

(1) in subsection (a), by striking ''Corporation'' and inserting ''appropriate Federal banking authority''; and

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

''(c) DEFINITION.—For purposes of this section—

''(1) the term 'appropriate Federal banking authority' means—

''(A) the Corporation, in the case of any insured depository institution, except as specifically provided in subparagraphs (B), (C), and (D), or in the case of any insured branch of a foreign bank;

''(B) the Board of Governors of the Federal Reserve System, in the case of any bank holding company and any subsidiary thereof (other than a bank), uninsured State branch or agency of foreign bank, or any organization organized and operated under section 25A of the Federal Reserve Act or operating under section 25 of the Federal Reserve Act;

''(C) the Comptroller of the Currency, in the case of any Federal agency or uninsured Federal branch of a foreign bank; and

''(D) the Office of Thrift Supervision, in the case of any savings and loan holding company and any subsidiary thereof (other than a bank or a savings association) or any institution that is treated as an insured bank under section 8(b)(9); and

''(2) the term 'insured depository institution' shall be deemed to include any institution treated as an insured bank under paragraph (3), (4), or (5) of section 8(b) or as a savings association under section 8(b)(9).''.

SEC. 3. REMOVAL ACTIONS AGAINST PERSONS CONVICTED OF FELONIES.

Section 8(i)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1818(i)(3)) is amended—

(1) by inserting '', or any order pursuant to subsection (g),'' after ''any notice''; and

(2) by inserting ''or order'' after ''such notice''.

SEC. 4. INTERNATIONAL COOPERATION.

Section 15 of the International Banking Act of 1978 (12 U.S.C. 3109) is amended by adding at the end the following new subsections:

''(c) INFORMATION OBTAINED FROM FOREIGN SUPERVISORS.—

''(1) IN GENERAL.—Except as provided in subsection (d), the Board, the Comptroller, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision shall not be compelled to disclose information obtained from a foreign supervisor if—

''(A) the foreign supervisor has, in good faith, determined and represented to such agency that public disclosure of the information would violate the laws applicable to that foreign supervisor; and

''(B) the United States agency obtains such information pursuant to—

''(i) such procedure as the agency may authorize for use in connection with the administration or enforcement of the banking laws; or

''(ii) a memorandum of understanding.

''(2) TREATMENT UNDER TITLE 5.—For purposes of section 552 of title 5, United States Code, this subsection shall be considered to be a statute described in subsection (b)(3)(B) of such section 552.

''(d) SAVINGS PROVISION.—Nothing in this section authorizes the Board, the Comptroller, the Federal Deposit Insurance Corporation, or the Office of Thrift Supervision to withhold information from the Congress or to prevent such agency from complying with an order of a court of the United States in an action commenced by the United States or by such agency.''.

SEC. 5. TERMINATION OF FOREIGN BANK OFFICES IN THE UNITED STATES.

Section 7(e) of the International Banking Act of 1978 (12 U.S.C. 3105(e)) is amended by adding at the end the following new paragraph:

''(8) PROVISIONS OF A TERMINATION ORDER.—An order issued by the Board under paragraph (1) or by the Comptroller under section 4(i) may contain such terms and conditions as the Board or the Comptroller, as the case may be, deems appropriate to carry out this subsection.''.

SEC. 6. DISCLOSURE OF CERTAIN MATTERS OCCURRING BEFORE GRAND JURY.

Section 3322(b) of title 18, United States Code, is amended—

(1) in paragraph (1), by inserting ''State or Federal'' before ''financial institution''; and

(2) in paragraph (2), by inserting ''at any time during or after the completion of the investigation of the grand jury'' before ''upon''.

SUMMARY OF THE FOREIGN BANK ENFORCEMENT ACT OF 1996

SECTION 2. EMPLOYMENT PROHIBITION

Section 19 of the Federal Deposit Insurance Act (''FDI Act''), (12 U.S.C. 1829), prohibits anyone convicted of a criminal offense from being employed by, or participating in the affairs of, an insured depository institution unless they receive the written consent of the FDIC. Section 19 covers only employees of depository institutions and thus does not currently prohibit the employment of convicted felons in a bank holding company, Edge or Agreement Corporation, or in a U.S. branch or agency of a foreign bank. The Act would expand the employment bar to these regulated entities and give authority for regulatory review to the federal regulator with oversight over the affected institution.

SECTION 3. REMOVAL ACTIONS

Banking regulators are empowered under Section 8(g) of the FDI Act (12 U.S.C. 1818(g)) to suspend or permanently prohibit a person who is indicted or convicted of a felony from participating in the affairs of a regulated institution. Under 8(g), the regulatory order must be made against an ''institution-affiliated party.'' The FDI Act clarifies that even when the person resigns or is terminated by the institution and is thus no-longer an ''institution-affiliated party,'' the regulators may prohibit employment in regulated institutions.

SECTION 4. INTERNATIONAL COOPERATION

Section 4 provides that communications from foreign supervisors to U.S. banking agencies may be held confidential. The provision, by making such protection explicit in the law, would encourage foreign bank supervisors to communicate more closely with their U.S. counterparts, thereby contributing to better oversight of banks operating internationally. The provision parallels the authority already available to securities regulators, and would not affect the ability of Congress or the courts to obtain such information.

SECTION 5. TERMINATION OF FOREIGN BANK OFFICES

The International Banking Act of 1978 (12 U.S.C. 3105(e)(1)) authorizes the Federal Reserve Board and the OCC to terminate a foreign bank's activities in the U.S. The Act is unclear, however, about whether the termination order can require the foreign bank to take actions such as establishment of escrow accounts for the payment of potential fines. Section 5 states explicitly that the regulators may include appropriate terms and conditions in their termination orders.

SECTION 6. GRAND JURY DISCLOSURE

Under section 3322 of the U.S. Criminal Code, (18 U.S.C. 3322(b)) a federal court may authorize disclosure to federal banking regulators of grand jury information used by law enforcement authorities investigating federal banking law violations. Section 6 expands the scope of this provision to include disclosure of such information to state bank regulatory authorities.●

By Mr. PELL (for himself and Mr. HATFIELD):

S. 2147. A bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Library of Congress; to the Committee on Banking, Housing, and Urban Affairs.

THE LIBRARY OF CONGRESS COMMEMORATIVE

Mr. PELL. Mr. President, at the request of the Library of Congress I am introducing, for myself and for the senior Senator from Oregon [Mr. HATFIELD], the Library of Congress Commemorative Coin Act, in recognition of the 200th anniversary of the Library of Congress, which will occur in the year 2000.

Established in 1800, the Library of Congress is our Nation's oldest national cultural institution and has become the largest repository of recorded knowledge in the world. It stands as a symbol of the vital connection between knowledge and democracy.

The Library of Congress Commemorative Coin Act authorizes the Secretary of the Treasury to issue, in year 2000, 500,000 silver dollars and 500,000 half dollar coins commemorating the anniversary. The proceeds of the sale of the coins will support not only the observance of the bicentennial of the Library's creation, but also digitization projects that will share the resources of the Library with the Nation's schools and libraries.

James Madison said ''Learned institutions ought to be the favorite objects of every free people. They throw the light over the public mind which is the best security against crafty and dangerous encroachments on the public liberty.'' This bill commemorates the fact that the Library of Congress for two centuries has fulfilled James Madison's hope by dispensing the light of

knowledge over the Congress, the Nation, and the world.

By Mr. KENNEDY (for himself and Mr. KERRY):

S. 2149. A bill to establish a program to provide health insurance for workers changing jobs; to the Committee on Labor and Human Resources.

THE TRANSITIONAL HEALTH INSURANCE COVERAGE FOR WORKERS BETWEEN JOBS ACT

Mr. KENNEDY. Mr. President, last month, President Clinton signed the Kassebaum-Kennedy Health Insurance Reform Act. That legislation provides portability of health insurance coverage. It said to American workers and their families: you do not have to lose your health insurance coverage because you lose your job.

That legislation is important. But for too many workers who lose their job, it could be an empty promise if the coverage is unaffordable. In fact, those between jobs typically have great difficulty paying the cost of insurance coverage. In 1996, family coverage costs an average of $6,900 a year, and individual coverage costs $2,600.

The legislation we are introducing today will help fill this gap. It is a modified version of President Clinton's proposal to provide temporary assistance for workers to keep their coverage between jobs. I commend the President for offering this progressive, thoughtful program, and I commend my colleague, Senator JOHN KERRY, for his leadership on this issue and his important contribution to the development of this legislation.

This is a logical and needed step in health insurance reform. The needs of the unemployed are especially great. Since 1936, we have provided a temporary program of income maintenance to workers who lose their jobs. Because of the high cost of health care, temporary assistance for health insurance during periods of unemployment is essential for American workers in 1996. Unemployment insurance alone is no longer sufficient.

Temporary health insurance assistance is especially critical as we face the economic changes associated with the new global economy and changing corporate behavior. Corporations used to reduce their work forces only when they were in trouble. But now, no worker can count on job security, since the trend is for profitable companies to lay off good workers to become even more profitable. Experts estimate that the average worker entering the work force today will change jobs seven to nine times in a typical career. Some of these workers will choose to change jobs, but others will be forced to. The Department of Labor estimates that in 1996 alone, 8.5 million workers will collect unemployment insurance for some period of time.

The legislation we are proposing today will provide financial assistance to help maintain health insurance coverage for workers and their families who are no longer eligible for on-the-job coverage because they have lost their job. To qualify, an individual would have to be eligible for unemployment insurance, would have to have had employer-sponsored coverage for 6 months before becoming unemployed, and could not be eligible for employment-based coverage through a spouse or domestic partner or for Medicaid or Medicare.

In the month for which assistance is provided, the family income would have to be 240 percent of poverty or less—about $37,440 for a family of four. Assistance would be limited to 6 months. The goal of this program is to help workers in transition between jobs—not to provide permanent coverage.

The program will be administered through the states. Typically, an eligible individual will receive assistance in paying the cost of COBRA continuation coverage under current law. If the worker is not eligible for COBRA, assistance will be available for any other policy that is not more generous than the Blue Cross-Blue Shield standard option plan available to Federal employees and Members of Congress.

There are a number of unanswered questions about the best way to structure the program, and I look forward to working with my colleagues in the next Congress, with the administration, and outside experts to improve it before it is passed. But the underlying principle is clear. No family should lose its health insurance coverage because a breadwinner is in transition between jobs.

The administration estimates that the cost of the program will be approximately $2 billion a year over the next 6 years, that approximately 3 million workers and their families will be helped to maintain their coverage every year.

The program can be paid for largely by closing two of the most notorious corporate tax loopholes—the title passage loophole and the runaway plant loophole. The first loophole involves bookkeeping transactions under which multinational corporations artificially shift income to overseas operations to avoid U.S. taxes. The second loophole allows corporations to move jobs abroad, accrue large in foreign bank accounts, and avoid U.S. taxes. Closing these loopholes to help unemployed workers keep their health insurance coverage is an appropriate use of the revenue.

This program is a modest attempt to help American workers cope with the disclosures of modern industrial life and the new global economy. But it is also important to understand what it does not do:

It does not add to the deficit. The program will be fully financed. In President Clinton's budget, it was paid for within his balanced budget plan.

It does not impose additional burdens on employers or create an employer mandate.

It is not an unfunded mandate on the States. The Federal Government pays 100 percent of the cost of the program. If a State chooses not to administer the program, it is not required to do so.

The Kassebaum-Kennedy health insurance reform bill passed the Senate by a strong bipartisan vote of 98 to 0, because it was clearly needed. This additional improvement is also needed—to help see that the promise of health insurance portability is fulfilled in practice.

We have heard a great deal of talk about family values in this campaign year. One of the most important expressions of family values is to help families keep their health insurance coverage when a breadwinner is between jobs. For the millions of American workers who worry that their family will lose their health insurance if they lose they job, this bill can be a lifeline, and I look forward to its bipartisan passage next year.

Mr. KERRY. Mr. President, today Senator KENNEDY and I are introducing the Transitional Health Insurance Coverage for Workers Between Jobs Act. This bill would build on the recently passed Kennedy-Kassebaum health bill by providing funding to States in order to finance up to 6 months of health coverage for unemployed workers and their families.

The Kennedy-Kassebaum bill was an important step toward assuring portability of health insurance coverage. More than 20 million people will benefit from that legislation and the senior Senator from Massachusetts deserves our thanks for his tireless efforts to achieve its passage. Unfortunately, however, although more people are now allowed to purchase health care coverage, many workers are still unable to afford this coverage. Those workers who have been laid off are most likely not to be able to obtain coverage.

The bill we are introducing today would help temporarily unemployed workers to afford health coverage for themselves and their families. It would do so by providing Federal assistance to pay the premium for health insurance. A worker would be eligible who had employer-based coverage in his or her prior job, is receiving unemployment benefits, and has income below certain levels. Families would have to earn no more than $37,440 for a family of four to qualify for the subsidy. People who are eligible for Medicaid or Medicare would not be able to receive this subsidy. Funds would be allocated to States based on the proportion of unemployed persons in the State who collected unemployment insurance [UI] benefits relative to all persons in the Nation who collected UI benefits.

This bill is necessary because, in the real world, workers between jobs still face mortgage or rent payments, utility bills, and other expenses necessary to support themselves and their families in addition to health insurance costs. Many lack a source of income and have exhausted family savings and other resources during the period of unemployment. And unemployment insurance in most states barely pays

enough to cover rent and food—the average monthly UI benefit was only $692 in 1993. In today's increasingly turbulent economy, a secure job is difficult to find. This year in Massachusetts, for example, such major corporations as Digital, Raytheon, and Fleet Bank have laid off hundreds of workers. And over the last few years, most of the major hospitals in my State have significantly downsized their work force. This bill will help workers as they move to new jobs.

I want to squarely address the issue of the cost of this program. The administration has estimated the annual cost to be approximately $2 billion. But I want to make clear that we are committed to fully offsetting the cost with other budget components. I am heartened that President Clinton was able to support establishing such a program in the context of his fiscal year 1997 balanced budget request. Senator KENNEDY has described two corporate loopholes we propose to close. I look forward to working with the administration and my colleagues to identifying a budget offset that is acceptable to my colleagues for this important program.

As Senator KENNEDY said, this plan will not add to the deficit, does not impose additional burdens on employers, and is not an unfunded mandate on States. I look forward to working with the administration and my colleagues to refine this bill and to pass it in the 105th Congress.

By Mr. MURKOWSKI (for himself, Mr. CRAIG, Mr. HATCH, Mr. BENNETT, Mr. CAMPBELL, Mr. BURNS, Mr. NICKLES, and Mr. STEVENS):

S. 2150. A bill to prohibit extension or establishment of any national monument on public land without full compliance with the National Environmental Policy Act and the Endangered Species Act, and an express Act of Congress, and for other purposes; to the Committee on Energy and Natural Resources.

THE PUBLIC LANDS PROTECTION ACT OF 1996

Mr. MURKOWSKI. Mr. President, I rise today to introduce legislation for myself, Senator CRAIG, Senator HATCH, Senator BENNETT, Senator GRAMS, Senator NICKLES, Senator CAMPBELL, Senator BURNS, and Senator STEVENS to protect public lands from the type of assault visited upon the people of Utah last week, when our President created a new national monument containing 1.7 million acres. That was done without a process, without a process involving public hearings, without a process involving notification of the Utah delegation, and without courtesies extended in advance so the delegation could be responsive to the particular delineations of the area suggested.

I think it is further important to point out the announcement of the President's action was not made in the State of Utah but in the State of Arizona. The withdrawal of land, 1.7 million acres, was in the State of Utah. One could curiously ask, for a Presidential proclamation, why go to another State? It was clear that this action was not welcome in Utah. There would have been many school children to protest that action.

The legislation I introduce with my colleagues is called the Public Lands Protection Act of 1996. It provides that no extension or establishment of a national monument can be undertaken pursuant to the Antiquities Act without full compliance with the National Environmental Policy Act, NEPA, and the Endangered Species Act, and an affirmative act of Congress.

Yet, by invoking the Antiquities Act, the President chose to ignore NEPA, ignore the Endangered Species Act, and take action almost as though it were simply a Presidential mandate that was necessary. Some of us might suggest it was political expediency suggested by some of the President's advisers that caused him to circumvent the process, the public process.

We have had some tough conversations in the Congress. The California Desert Wilderness was an example, of contested legislation and contested hearings. But the process went forward. We got the job done. This action taken in Utah last week defies logic, defies principle, and defies all semblance of courtesy. In effect, the President declared himself to be above the law by unilaterally declaring that the action he took, which unquestionably is a ''major Federal action'' within the meaning of NEPA, did not require an analysis to determine its impact on the environment. By specifically using the authority of the Antiquities Act, a statute enacted in 1906 to enable President Theodore Roosevelt to take action to protect unique features of our public land, the President conveniently sidestepped NEPA and the requirement to consider the environmental consequences of his action.

We know President Clinton is no President Theodore Roosevelt. Theodore Roosevelt allowed a tremendous public dialog to take place before he invoked the Antiquities Act. President Carter invoked the Antiquities Act in my State in a massive land withdrawal. But there was a long process. We didn't like it, but we participated. The people of Utah simply had the national monument dictated to them.

Further, by creating a national monument in the manner the President chose, he circumvented the Endangered Species Act, a law that the elite environmental lobbyists invoke at every turn to strike fear in the hearts of the American people that public land use for timber harvesting, oil and gas development, livestock grazing, and mining is causing irreversible and intolerable damage to threatened and endangered species and their habitat and that such use of the public domain should be eliminated altogether.

Finally, Mr. President, the Clinton administration kept the decision concerning the national monument cloaked in secrecy until it was sprung on the citizens of Utah by surprise. There was no consultation with the Governor, no consultation with the congressional delegation, no outreach effort to the citizens, no interactive process with the public land users, and no consideration of any of the benefits of the lands that have now been taken out of productive multiple use.

The President didn't want the democratic process, or the hearing process to go forward. It would have gone into the 105th Congress. We would have resolved it.

I dare say, President Clinton's action is probably the most arrogant, hypocritical, and blatantly political exercise of Federal power affecting public lands ever, and the media seems to have bought it. President Clinton's and Interior Secretary Bruce Babbitt's war on the West, in this unprecedented action, has almost the feel of Pearl Harbor. The President chose the most politically expedient and least publicly interactive route possible. The fact that he announced his decision, as I stated, in Arizona speaks for itself.

My bill and that of my colleagues would bring an end to the use of this old law to abuse Federal power and trample on States' rights. It is not needed anymore. We have the democratic process, we have NEPA, we have the Endangered Species Act, and we have the checks and balances so that a Presidential land grab is not in order.

Our bill is very straightforward. It provides that no extension or establishment of a national monument can be undertaken pursuant to the Antiquities Act without full compliance with NEPA, full compliance with the Endangered Species Act and an expressed act of Congress. What is wrong with that? That is the process. That is the democratic way.

This bill, when passed, would mean that there will be a public process and a deliberate, thoughtful analysis of the environmental consequences of the proposed action. There will also be consultation under the Endangered Species Act among the affected agencies on the potential effects on threatened and endangered species and their habitat.

More important, Mr. President, by requiring an act of Congress before a monument can be extended or established, the American people, the affected citizenry of the State involved, and interested public land users will have an opportunity to voice their opinions during the process.

This can occur during the NEPA process, during the endangered species consultation process and during legislative consideration of the act to extend or establish a national monument. No secret decision by the President's handlers and spin doctors and no campaign ploys, such as we have seen with the Utah monument.

President Clinton's action in Utah ignored public sentiment. It ignored the wishes of the citizens of Utah, of the public land users, of those who hold valid existing property rights and

those who care deeply—deeply—about environmental stewardship. As our committee process continued, had it been allowed to continue, areas would have been identified and put into wilderness that were agreed upon by the State of Utah, the Governor, the legislature and the congressional delegation.

My bill would restore the public's voice in these matters and give meaning to the concept of public participation.

Mr. President, I urge my colleagues to join me in supporting this bill. I ask unanimous consent that the RECORD be left open until the end of the session to allow additional sponsors to join me on this measure.

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

Mr. CRAIG. Mr. President, I rise today in support of a bill being introduced that has been forced by recent events. I'm talking about President Clinton's proclamation unilaterally declaring nearly two million acres of southern Utah a National Monument.

After the President's announcement, Senator KEMPTHORNE and I introduced the Idaho Protection Act. The bill would require that the public and the Congress be included before a National Monument could be established in Idaho.

When we introduced that bill, I was immediately approached by other Senators seeking the same protection. What we see unfolding before us in Utah ought to frighten all of us. Without including Utah's Governor, Senators, congressional delegation, the state legislature, county commissioners, or the people of Utah—President Clinton set off limits forever approximately 1.7 million acres of Utah.

Under the 1906 Antiquities Act, President Clinton has the authority to create a National Monument where none existed before. And if he can do it in the State of Utah, he can do it in Idaho, or Montana, or California. In fact, since 1906, the law has been used some 66 times to set lands aside.

Just as 64 percent of the land in Utah is owned by the Federal Government, 62 percent of Idaho is also owned by Uncle Sam. Even New Hampshire, on the East Coast, has 14 percent of its land owned by the Federal Government. What the President has done in Utah, without public input, he could also do in Idaho or any of the States where the Federal Government has a presence.

The bill that is being introduced would simply require that the public and the Congress be fully involved and give approval before such a unilateral administrative act could take effect on our public lands.

Unfortunately, for the people of Utah, what the President has done there, should be a wake up call to people across America. While we all want to preserve what is best in our States, people everywhere understand that much of their economic future is tied up in what happens on the public lands in our States.

In the West, where public lands dominate the landscape, issues such as grazing, timber harvesting, water use, have all come under attack by an administration seemingly bent upon kowtowing to a segment of our population that wants other uses off our public lands.

But in addition to those in the West, everyone wants the process to be open and inclusive. No one wants the President, acting alone, to unilaterally lock up enormous parts of any State. That is not what Idahoans, or Utah natives or others. We certainly don't work that way in the West. There is a recognition that with common sense, a balance can be struck that allows jobs to grow and families to put down roots while at the same time protecting America's great natural resources.

In my view, the President's actions are beyond the pale and for that reason—to protect others from suffering a similar fate, I am cosponsoring this bill.

Thank you and I yield the floor.

By Mr. SIMPSON (by request):

S. 2151. A bill to provide a temporary authority for the use of voluntary separation incentives by Department of Veterans Affairs offices that are reducing employment levels, and for other purposes; to the Committee on Veterans' Affairs.

THE DEPARTMENT OF VETERANS AFFAIRS EMPLOYMENT REDUCTION ASSISTANCE ACT OF 1996

Mr. SIMPSON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, at the request of the Secretary of Veterans Affairs, S. 2151, the ''Department of Veterans Affairs Employment Reduction Assistance Act of 1996'' relating to the Department of Veterans Affairs' authority to offer separation incentives to achieve reductions in employment levels. The Secretary of Veterans Affairs submitted this legislation to the President of the Senate by letter dated September 11, 1996.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, together with the transmittal letter and the enclosed analysis of the draft legislation.

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

S. 2151

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Department Of Veterans Affairs Employment Reduction Assistance Act of 1996.''

SEC. 2. DEFINITIONS.

For the purpose of this Act—

(1) ''Department'' means the Department of Veterans Affairs.

(2) ''employee'' means an employee (as defined by section 2105 of title 5, United States Code) who—

(A) is employed by the Department of Veterans Affairs;

(B) is serving under an appointment without time limitation; and

(C) has been currently employed for a continuous period of at least 12 months; but does not include—

(i) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the Federal Government;

(ii) an employee having a disability on the basis of which such employee is eligible for disability retirement under the applicable retirement system referred to in clause (i);

(iii) an employee who is in receipt of a specific notice of involuntary separation for misconduct or performance;

(iv) an employee who has accepted a final offer of a voluntary separation incentive payment, payable upon completion of an additional period of service as referred to in section 3(b)(2)(B)(ii) of the Federal Workforce Restructuring Act of 1994 (Public Law 103–226; 108 Stat. 111);

(v) an employee who previously has received any voluntary separation incentive payment by the Federal Government under this Act or any other authority and has not repaid such payment; or

(vi) an employee covered by statutory reemployment rights who is on transfer to another organization.

(3) ''Secretary'' means the Secretary of Veterans Affairs.

SEC. 3. DEPARTMENT PLANS; APPROVAL.

(a) If the Secretary determines that, in order to improve the efficiency of operations or to meet actual or anticipated levels of budgetary or staffing resources, the number of employees employed by the Department must be reduced, the Secretary may submit a plan to the Director of the Office of Management and Budget to pay voluntary separation incentives under this Act to employees of the Department who agree to separate from the Department by retirement or resignation. The plan shall specify the planned employment reductions and the manner in which such reductions will improve operating efficiency or meet actual or anticipated levels of budget or staffing resources. The plan shall include a proposed period of time for the payment of voluntary separation incentives by the Department and a proposed coverage for offers of incentives to Department employees, targeting positions in accordance with the Department's strategic alignment plan and downsizing initiatives. The proposed coverage may be based on—

(1) any component of the Department;

(2) any occupation, occupation level or type of position;

(3) any geographic location; or

(4) any appropriate combination of the factors in paragraphs (1), (2), and (3).

(b) The Director of the Office of Management and Budget shall approve or disapprove each plan submitted under subsection (a),

and may make appropriate modifications to the plan with respect to the time period in which voluntary separation incentives may be paid or with respect to the coverage of incentives on the basis of the factors in subsection (a) (1) through (4).

SEC. 4. VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

(a) In order to receive a voluntary separation incentive payment, an employee must separate from service with the Department voluntarily (whether by retirement or resignation) during the period of time for which the payment of incentives has been authorized for the employee under the Department plan under section 3.

(b) A voluntary separation incentive payment—

(1) shall be paid in a lump sum at the time of the employee's separation:

(2) shall be equal to the lesser of—

(A) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code (without adjustment for any previous payment made under that section), if the employee were entitled to payment under that section; if the employee were entitled to payment under that action; or

(B) if the employee separates—

(i) during fiscal year 1996 or 1997, $25,000;

(ii) during fiscal year 1998, $20,000;

(iii) during fiscal year 1999, $15,000;

(iv) during fiscal year 2000, $10,000;

(3) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit, except that this paragraph shall not apply to unemployment compensation funded in whole or in part with Federal funds;

(4) shall not be taken into account in determining the amount of severance pay to which an employee may be entitled under section 5595 of title 5, United States Code, based on any other separation; and

(5) shall be paid from the appropriations or funds available for payment of the basic pay of the employee.

SEC. 5. EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.

(a) An individual who has received a voluntary separation incentive payment under this Act and accepts any employment with the Government of the United States within 5 years after the date of the separation on which the payment is based shall be required to repay, prior to the individual's first day of employment, the entire amount of the incentive payment to the Department.

(b)(1) If the employment under subsection (a) is with an Executive agency (as defined by section 105 of title 5, United States Code), the United States Postal Service, or the Postal Rate Commission, the Director of the Office of personnel Management may, at the request of the head of the agency, waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(2) If the employment under subsection (a) is with an entity in the legislative branch, the head of the entity or the appointing official may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(3) If the employment under subsection (a) is with the judicial branch, the Director of the Administrative Office of the United States Courts may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(c) For the purpose of this section, the term ''employment''—

(1) includes employment of any length or under any type of appointment, but does not include employment that is without compensation; and

(2) includes employment under a personal services contract, as defined by the Director of the Office of Personnel Management.

SEC. 6. ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.

(a) In addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the Department shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the Department who is covered under subchapter III of chapter 83 or chapter 84 of title 5 to whom a voluntary separation incentive has been paid under this Act.

(b) For the purpose of this section, the term ''final basic pay'', with respect to an employee, means the total amount of basic pay that would be payable for a year of service by that employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

SEC. 7. REDUCTION OF AGENCY EMPLOYMENT LEVELS.

(a) Total full-time equivalent employment in the Department shall be reduced by one for each separation of an employee who receives a voluntary separation incentive payment under this Act. The reduction will be calculated by comparing the Department's full-time equivalent employment for the fiscal year in which the voluntary separation payments are made with the actual full-time equivalent employment for the prior fiscal year.

(b) The Office of Management and Budget shall monitor the Department and take any action necessary to ensure that the requirements of this section are met.

(c) Subsection (a) of this section may be waived upon a determination by the President that—

(1) the existence of a state of war or other national emergency so requires; or

(2) the existence of an extraordinary emergency which threatens life, health, safety, property, or the environment so requires.

SEC. 8. REPORTS.

(a) The Department, for each applicable quarter of each fiscal year and not later than 30 days after the date of such quarter, shall submit to the Office of Personnel Management a report stating—

(1) the number of employees who receive voluntary separation incentives for each type of separation involved;

(2) the average amount of the incentives paid;

(3) the average grade or pay level of the employees who received incentives; and

(4) such other information as the Office may require.

(b) No later than March 31st of each fiscal year, the Office of Personnel Management shall submit to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives a report which, with respect to the preceding fiscal year, shall include—

(1) the number of employees who received voluntary separation incentives;

(2) the average amount of such incentives;

(3) the average grade or pay level of the employees who received incentives; and

(4) the number of waivers made under section 5 of this Act in the repayment of voluntary separation incentives, and for each such waiver—

(A) the reasons for the waiver; and

(B) the title and grade or pay level of the position filled by each employee to whom the waiver applied.

SEC. 9. VOLUNTARY PARTICIPATION IN REDUCTIONS IN FORCE.

Section 3502(f) of title 5, United States Code, is amended—

(1) in paragraph (1), by inserting '', the Secretary of Veterans Affairs,'' after ''Defense'';

(2) in paragraph (3), by inserting '', the Department of Veterans Affairs,'' after ''Defense'';

(3) by striking paragraph (4); and

(4) by redesignating paragraph (5) as paragraph (4); and

(5) by amending such paragraph (4), as so redesignated, by striking ''1996'' and inserting ''2000'' in lieu thereof.

SEC. 10. CONTINUED HEALTH INSURANCE COVERAGE.

Section 8905a(d)(4) of title 5, United States Code, is amended—

(1) in subparagraph (A) by striking ''in or under the Department of Defense'';

(2) in subparagraph (B)—

(A) by striking ''1999'' in clause (i) and (ii) and inserting ''2000''; and

(B) by striking ''2000'' in clause (ii) and inserting ''2001''; and

(3) in subparagraph (C) by inserting ''by the agency'' after ''identified''.

SEC. 11. REGULATIONS.

The Director of the Office of Personnel Management may prescribe any regulations necessary to administer the provisions of this Act.

SEC. 12. LIMITATION; SAVINGS CLAUSE.

(a) No voluntary separation incentive under this Act may be paid based on the separation of an employee after September 30, 2000;

(b) This Act supplements and does not supersede other authority of the Secretary of Veterans Affairs.

ANALYSIS OF DRAFT BILL

The first section provides a title for the bill, the ''Department of Veterans Affairs Employment Reduction Assistance Act of 1996.''

Section 2 provide definitions of ''Department'', ''employee'', and ''Secretary.'' Among the provisions, an employee who has received any previous voluntary separation incentive from the Federal Government and has not repaid the incentive is excluded from any incentives under this Act.

Section 3 provides that, when the VA Secretary determines that employment in the agency must be reduced in order to improve operating efficiency or meet anticipated budget or staffing levels, the Secretary may submit a plan to the Director of the Office of Management and Budget for payment of voluntary separation incentives to Department employees. The plan must specify the manner in which the planned employment reductions will improve efficiency or meet budget or staffing levels. The plan must also include a proposed time period for payment of separation incentives, and a proposed coverage for offers of incentives to Department employees, targeting positions in accordance with VA's strategic alignment plan. Coverage may be on the basis of any component of the Department, any occupation or levels of an occupation, any geographic location, or any appropriate combination of these factors. The Director of the Office of Management and Budget shall approve or disapprove each plan submitted, and may modify the plan with respect to the time period for incentives or the coverage of incentive offers.

Section 4 provides that in order to receive a voluntary separation incentive, an employee covered by an offer of incentives must

separate from service with the agency (whether by retirement or resignation) within the time period specified in the agency's plan as approved. For an employee who separates, the voluntary separation incentive is an amount equal to the lesser of the amount that the employee's severance pay would be if the employee were entitled to severance pay under section 5595 of title 5, United States Code (without adjustment for any previous severance pay), or whichever of the following amounts is applicable based on the date of separation: $25,000 during fiscal year 1996 or 1997; $20,000 during fiscal year 1998; $15,000 during fiscal year 1999; or $10,000 during fiscal year 2000. These reductions in incentive amount for each year an employee delays separation would encourage eligible employees to take the incentive at an earlier point.

Section 5 provides that any employee who receives a voluntary separation incentive under this Act and then accepts any employment with the Government within 5 years after separating must, prior to the first day of such employment, repay the entire amount of the incentive to the agency that paid the incentive. If the subsequent employment is with the Executive branch, including the United States Postal Service, the Director of the Office of Personnel Management may waive the repayment at the request of the agency head if the individual possesses unique abilities and is the only qualified applicant available for the position. For subsequent employment in the legislative branch, the head of the entity or the appointing official may waive repayment on the same basis. If the subsequent employment is in the judicial branch, the Director of the Administrative Office of the United States Courts may waive repayment on the same criteria. For the purpose of the repayment and waiver provisions, employment includes employment under a personal services contract, as defined by the Director of the Office of Personnel Management.

Section 6 requires additional agency contributions to the Civil Service Retirement and Disability Fund in amounts equal to 15 percent of the final basic pay of each employee of the Department who is covered by the Civil Service Retirement System to whom a voluntary separation incentive is paid under this Act.

Section 7 provides that full-time equivalent employment (FTEE) in the Department will be reduced by one for each separation of an employee who receives a voluntary separation incentive under this Act, and directs the Office of Management and Budget to take any action necessary to ensure compliance. Reductions will be calculated by using the Department's actual FTEE levels. For example, if the Department's FTEE usage in FY 1996 is 1,050 FTEEs, and 50 FTEEs separate during FY 1997 using voluntary separation incentive payments provided under this Act, then the Department's staffing levels at the end of FY 1997 shall not exceed 1,000 FTEEs. The President may waive the reduction in FTEE in the event of war or emergency.

Section 8 requires the Department to report to the Office of Personnel Management (OPM) on a quarterly basis: the number of employees receiving incentive payments for each type of separation; the average amount of incentive payments; the average grade or pay of employees receiving incentive payments; and other information OPM may require. This section also requires the Office of Personnel Management to report by March 31st of each year to the Senate Committee on Governmental Affairs and the House Committee on Government Reform and Oversight concerning the Department's use of voluntary separation incentives in the previous fiscal year. The report must show the number of employees who received incentives, the average amount of the incentives, and the average grade or pay level of the employees who received incentives. The report must also include the number of waivers made under the provisions of section 5 in the repayment of incentives upon subsequent employment with the Government, the reasons for each waiver, and the title and grade or pay level of each employee to whom the waiver applied.

Section 9 amends section 3502(f) of title 5 to authorize the Secretary to allow an employee to volunteer for separation in a reduction-in-force when this will result in retaining an employee in a similar position who would otherwise be released in the reduction-in-force. Section 9 also changes section 3502(f)'s sunset date from 1996 to 2000.

Section 10 amends section 8905a(d)(4) to provide that employees who are involuntarily separated in a reduction in force, or who voluntarily separate from a surplus position that has been specifically identified for elimination in the reduction in force, can continue health benefits coverage for 18 months and be required to pay only the employee's share of the premium. Section 10 also extends section 8905a(d)(4) sunset provisions.

Section 11 provides that the Director of OPM may prescribe any regulations necessary to administer the provisions of the Act.

Section 12 provides that no voluntary separation incentive under the Act may be paid based on the separation of an employee after September 30, 2000, and that the Act supplements and does not supersede other authority of the Secretary.

SECRETARY OF VETERANS AFFAIRS,
Washington, DC, September 11, 1996.

Hon. ALBERT GORE, Jr.,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: We are submitting a draft bill ''Department of Veterans Affairs Employment Reduction Assistance Act of 1996.'' We request that it be referred to the appropriate committee for prompt consideration and enactment.

In the next several years, VA will undergo dramatic change. VA believes that separation incentives can be an appropriate tool for those VA components that are redesigning their employment mix when the use of incentives is property related to the specific changes that are needed within those components and thus will reshape the agency for the future. They can also be an invaluable tool for components that are restructuring and reengineering, such as the Veterans Health Administration and the Veterans Benefits Administration, as they move towards primary care and new methods of delivering services to veterans. Further, it is vital to provide for consistent administration of any incentive programs that prove necessary for different components, and to appropriately limit the time period for any incentive offers.

This initiative is based on VA's experience with voluntary separation incentives under the Federal Workforce Restructuring Act of 1994. The Restructuring Act provided Federal civilian agencies, including VA, with authority to offer voluntary separation incentives for a 1-year period that ended March 31, 1995. VA generally used these incentives successfully to help avoid involuntary separations and to achieve reductions in administrative overhead and supervisory positions, and the Restructuring Act provided a useful framework for consistent administration of incentive programs in many different VA components.

This proposal would provide an overall system for the limited use of voluntary separation incentives by VA. When the Secretary determines that employment in particular organizations must be reduced in order to meet restructuring goals, the Secretary may submit a plan to the Director of the Office of Management and Budget for payment of voluntary separation incentives to Department employees. The plan must specify how the planned employment reductions will improve efficiency or meet budget or staffing levels. The plan must also include a proposed time period for payment of incentives, and a proposed coverage for offers of incentives to agency employees on the needed organizational, occupational, or geographic basis, targeting positions in accordance with VA's strategic alignment plan. The Director of the Office of Management and Budget would approve or disapprove each plan submitted, and would have authority to modify the time period for incentives or coverage of incentive offers. We believe that these provisions for plan approval will ensure that separation incentives are appropriately targeted within the Department in view of the specific cuts that are needed, and are offered on a timely basis. Although the Department's full-time equivalent employment would be reduced by one for each employee of the Department who receives an incentive, we believe that service to veterans will improve as a result of the reengineering that is happening simultaneously within the system.

The authority for separation incentives would be in effect for the period starting with the enactment of this Act and ending September 30, 2000. The amount of an employee's incentive would be the lesser of the amount that the employee's severance pay would be, or whichever of the following amounts is applicable based on the year of separation in accordance with the agency plan; for employees who retire, $25,000 during fiscal year 1996 or 1997, $20,000 during fiscal year 1998, $15,000 during fiscal year 1999, and $10,000 during fiscal year 2000.

These reductions in the incentive amount for each year an employee delays separation would encourage employees to take the incentives during the first year of eligibility. An employee who receives an incentive and then accepts any employment with the Government within 5 years after separating must, prior to the first day of employment, repay the entire amount of the entire amount of the incentive. The repayment requirement could be waived only under very stringent circumstances of agency need.

In order to further assist VA components in making needed changes, the bill would authorize VA, under appropriate conditions, to allow an employee to volunteer for separation in a reduction-in-force when this will prevent the involuntary separation of an employee in a similar position. In addition, in order to minimize the impact of reduction-in-force actions on employees, the bill provides that employees who are involuntarily separated in reductions-in-force can continue their health insurance coverage for 18 months while continuing to pay only the premium that would apply to a current employee.

This proposal would provide a very useful tool to assist in reorganizing VA and reengineering services provided to veterans, quickly, effectively, and humanely. We also believe that it is a tool that will allow significant cost savings. If the proposal is enacted, we will report, on an annual basis, cost savings associated with separation incentives as well as where such funds have been redirected to improve the provision of services to veterans.

By Mr. SIMPSON (by request):

S. 2152. A bill to amend title 38, United States Code, to provide benefits for certain children of Vietnam veterans who are born with spina bifida, and for other purposes; to the Committee on Veterans' Affairs.

THE AGENT ORANGE BENEFITS ACT OF 1996

Mr. SIMPSON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, at the request of the Secretary of Veterans Affairs, S. 2152, a bill to provide benefits for certain children of Vietnam veterans who are born with spina bifida. The Secretary of Veterans Affairs submitted this legislation to the President of the Senate by letter dated July 25, 1996.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, together with the transmittal letter of the draft legislation.

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

S. 2152

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

SECTION 1. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SECTION 2. BENEFITS FOR THE CHILDREN OF VIETNAM VETERANS WHO ARE BORN WITH SPINA BIFIDA.

(a) SHORT TITLE.—This section may be cited as the ''Agent Orange Benefits Act of 1996.''

(b) Establishment of new chapter 18.—Part II is amended by inserting after chapter 17 the following new chapter:

''CHAPTER 18—BENEFITS FOR THE CHILDREN OF VIETNAM VETERANS WHO ARE BORN WITH SPINA BIFIDA.

''1801. Purpose

''The purpose of this chapter is to provide for the special needs of certain children of Vietnam veterans who were born with the birth defect spina bifida, possibly as the result of the exposure of one or both parents to herbicides during active service in the Republic of Vietnam during the Vietnam era, through the provision of health care, vocational training, and monetary benefits.

''1802. Definitions

''For the purposes of this chapter—

''(1) The term 'child' means a natural child of a Vietnam veteran, regardless of age or marital status, who was conceived after the date on which the veteran first entered the Republic of Vietnam during the Vietnam era.

''(2) The term 'Vietnam veteran' means a veteran who, during active military, naval, or air service, served in the Republic of Vietnam during the Vietnam era.

''(3) The term 'spina bifida' means all forms of spina bifida other than spina bifida occulta.

''1803. Health care

''(a) In accordance with regulations the Secretary shall prescribe, the Secretary shall provide such health care under this chapter as the Secretary determines is needed to a child of a Vietnam veteran who is suffering from spina bifida, for any disability associated with such condition.

''(b) The Secretary may provide health care under this section directly or by contract or other arrangement with a health care provider.

''(c) For the purposes of this section—

''(1) The term 'health care' means home care, hospital care, nursing home care, outpatient care, preventive care, habilitative and rehabilitative care, case management, and respite care, and includes the training of appropriate members of a child's family or household in the care of the child and provision of such pharmaceuticals, supplies, equipment, devices, appliances, assistive technology, direct transportation costs to and from approved sources of health care authorized under this section, and other materials as the Secretary determines to be necessary.

''(2) The term 'health care provider' includes, but is not limited to, specialized spina bifida clinics, health-care plans, insurers, organizations, institutions, or any other entity or individual who furnishes health care services that the Secretary determines are covered under this section.

''(3) The term 'home care' means outpatient care, habilitative and rehabilitative care, preventive health services, and health-related services furnished to an individual in the individual's home or other place of residence.

''(4) The term 'hospital care' means care and treatment for a disability furnished to an individual who has been admitted to a hospital as a patient.

''(5) The term 'nursing home care' means care and treatment for a disability furnished to an individual who has been admitted to a nursing home as a resident.

''(6) The term 'outpatient care' means care and treatment of a disability, and preventive health services, furnished to an individual other than hospital care or nursing home care.

''(7) The term 'preventive care' means care and treatment furnished to prevent disability or illness, including periodic examinations, immunizations, patient health education, and such other services as the Secretary determines are necessary to provide effective and economical preventive health care.

''(8) The term 'habilitative and rehabilitative care' means such professional, counseling, and guidance services and treatment programs (other than vocational training under section 1804 of this title) as are necessary to develop, maintain, or restore, to the maximum extent, the functioning of a disabled person.

''(9) the term 'respite care' means care furnished on an intermittent basis in a Department facility for a limited period to an individual who resides primarily in a private residence when such care will help the individual to continue residing in such private residence.''.

''§ 1804. Vocational training

''(a) Pursuant to such regulations as the Secretary may prescribe, the Secretary may provide vocational training under this section to a child of Vietnam veteran who is suffering from spina bifida if the Secretary determines that the achievement of a vocational goal by such child is reasonably feasible.

''(b)(1) If a child elects to pursue a program of vocational training under this section, the program shall be designed in consultation with the child in order to meet the child's individual needs and shall be set forth in an individualized written plan of vocational rehabilitation.

''(2)(A) Subject to subparagraph (B) of this paragraph, a vocational training program under this subsection shall consist of such vocationally oriented services and assistance, including such placement and postplacement services and personal and work adjustment training, as the Secretary determines are necessary to enable the child to prepare for and participate in vocational training or employment.

''(B) A vocational training program under this subsection—

''(i) may not exceed 24 months unless, based on a determination by the Secretary that an extension is necessary in order for the child to achieve a vocational goal identified (before the end of the first 24 months of such program) in the written plan formulated for the child, the Secretary grants an extension for a period not to exceed 24 months;

''(ii) may not include the provision of any loan or subsistence allowance or any automobile adaptive equipment; and

''(iii) may include a program of education at an institution of higher learning only in a case in which the Secretary determines that the program involved is predominantly vocational in content.

''(c)(1) A child who is pursuing a program of vocational training under this section who is also eligible for assistance under a program under chapter 35 of this title may not receive assistance under both of such programs concurrently but shall elect (in such form and manner as the Secretary may prescribe) under which program to receive assistance.

''(2) The aggregate period for which a child may receive assistance under this section and chapter 35 of this title may not exceed 48 months (or the part-time equivalent thereof).

''§ 1805. Monetary allowance

''(a) The Secretary shall pay a monthly allowance under this chapter to any child of a Vietnam veteran for disability resulting from spina bifida suffered by such child.

''(b) The amount of the allowance paid under this section shall be based on the degree of disability suffered by a child as determined in accordance with such schedule for rating disabilities resulting from spina bifida as the Secretary may prescribe. The Secretary shall, in prescribing the rating schedule for the purposes of this section, establish three levels of disability upon which the amount of the allowance provided by this section shall be based. The allowance shall be [$200] per month for the lowest level of disability prescribed, [$700] per month for * * *.

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(B) by striking out'', aggravation,'' both places it appears; and

(C) by striking out ''sentence'' and substituting in lieu thereof ''subsection''.

(b) The amendments made by subsection (a) shall govern all administrative and judicial determinations of eligibility for benefits under section 1511 of title 38, United States Code, made with respect to claims filed on or after the date of enactment of this Act, including those based on original applications

and applications seeking to reopen, revise, reconsider, or otherwise readjudicate on any basis claims for benefits under section 1151 of that title or predecessor provisions of law.

THE SECRETARY OF VETERANS AFFAIRS,
Washington, DC, July 25, 1996.

Hon. ALBERT GORE, Jr.,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: Transmitted herewith is a draft bill ''To amend title 38, United States Code, to provide benefits for certain children of Vietnam veterans who are born with spina bifida.''

On March 14, 1996, the Institute of Medicine (IOM) of the National Academy of Sciences released a report which concluded that there is ''limited/suggestive'' evidence of an association between exposure to herbicides and spina bifida, a neural tube birth defect in which the bones of the spine fail to close over the spinal cord, often causing neurological impairment.[1] Based on this conclusion, and consistent with the spirit of the statutory standard governing decisions regarding presumptions of service connection for disabilities associated with exposure to herbicides during active military service in the Republic of Vietnam, as established by Public Law 102–4, I have determined that a positive association exists between exposure of a parent to herbicides during such service and the birth defect of spina bifida.

This determination was made based on a recommendation of a special task force I established to review the IOM report. The task force noted that certain studies of Vietnam veterans suggested an apparent increase in the risk for spina bifida in their offspring. These included studies conducted by the Centers for Disease Control and Prevention and, more recently, a study of offspring of Air Force Ranch Hand personnel. Although noting that scientific questions remain, the task force indicated that spina bifida does appear to meet the statutory standards set forth in Public Law 102–4.[2] The task force noted that VA currently has no authority to establish presumptions of service connection for diseases in the offspring of veterans, but concluded that, if such authority existed, it would recommend, at this time, that spina bifida in the offspring of Vietnam veterans be treated in the same manner as prostate cancer and acute/subacute peripheral neuropathy. Because VA currently has no authority to provide benefits to these offspring, enabling legislation is necessary.

We recognize that the provisions of law that govern and, in some instances, mandate, the addition of new disabilities for which a presumption of service connection is provided do not govern the present situation. However, the level of association that we believe has been shown to exist is no less compelling for the conditions suffered by these children than for certain diseases in Vietnam veterans themselves for which the Government has assumed responsibility. It seems appropriate, therefore, and in the best interests of these children, that the same benefit of the doubt as is required to be given Vietnam veterans be given to their offspring, whose birth defects may be a result of their father's or mother's service to this country.

Historically, benefits for spouses and/or children have been derivative, that is, based on the death or disability of a veteran. The benefits proposed in this draft bill would represent the first instance in which VA would be authorized to provide benefits to a nonveteran based on a possible relationship between that individual's disability and a veteran's service. While this is unprecedented, we believe it to be an appropriate extension of the principle of providing benefits for disabilities that are incurred or aggravated as a result of an individual's service on active duty in the Armed Forces of the United States. When sound medical judgment indicates a course of action, as it appears to in this case, we believe that it is not only reasonable, but responsible, to propose the enactment of appropriate legislative remedies. We believe Congress, in enacting the standards for compensation found in Public Law 102–4, intended that the benefit of the doubt should be applied in making judgments regarding the consequences surrounding the use of herbicide agents and that benefits be provided to individuals who have suffered injury as a result thereof, a policy which should have equal force in terms of providing benefits to the offspring of such individuals.

The primary benefit proposed in the draft bill is associated comprehensive medical care, which could be provided directly by VA or by contract with non-VA providers. Second, because of the likelihood that individuals who suffer from spina bifida will encounter difficulties in pursuing vocational goals, we believe it is appropriate to assist them through the provision of vocational training benefits. Finally, in recognition of other, special financial needs these children are likely to have, we believe they should be provided with a monthly stipend to help defray additional expenses associated with their disabilities. The Secretary would be required to base the amount of the stipend, or allowance, on each child's level of disability, in accordance with a special schedule established for this purpose. Under the proposed framework, the Secretary would pay the allowance based upon three levels of disability, resulting in monthly levels of $200 per month for the lowest level of disability assigned, $700 per month for the intermediate level of disability assigned, and $1,200 per month for the highest level of disability assigned.

In addition, this proposal includes a provision to offset costs associated with these new benefits. This provision would effectively reverse the U.S. Supreme Court decision in *Gardner* v. *Brown* which held that monthly VA disability compensation must be paid for any additional disability or death attributable to VA medical treatment even if VA was not negligent in providing that care. A detailed explanation of the justification for this cost-saving measure appears in the testimony of VA's General Counsel before the Senate Committee on Veterans' Affairs on June 8, 1995.

This bill would affect direct spending and therefore is subject to the pay-as-you-go provisions of the Omnibus Budget Reconciliation Act of 1990. Enactment of this legislation would increase direct spending by $5.5 million in Fiscal Year 1997 and decrease direct spending by $291.5 million over a 5-year period.

The Office of Management and Budget advises that there is no objection to the submission of this proposal to the Congress and that its enactment would be in accord with the program of the President.

Sincerely yours,

JESSE BROWN.

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[1] That report, *Veterans and Agent Orange: Update 1996,* also concluded that ''limited/suggestive'' evidence of an association exists between exposure to herbicides and cancer of the prostate and acute/subacute peripheral neuropathy. Based on these conclusions, I have determined, under statutory guidelines set forth in section 1116(b)(3) of title 38, United States Code, that a ''positive association'' exists between such exposure and the two conditions. Pursuant to section 1116(b)(1), we intend to add such diseases to the list of diseases for which a presumption of service connection is established.

[2] The standard for determining whether a positive association exists with respect to herbicide exposure and diseases in Vietnam veterans is set forth in 38 U.S.C. §1116(b)(3), as added by Public Law 102–4, which states, ''An association between the occurrence of a disease in humans and exposure to a herbicide agent shall be considered to be positive for the purposes of this section if the credible evidence for the association is equal to or outweighs the credible evidence against the association.''

ADDITIONAL COSPONSORS

S. 1189

At the request of Mr. DEWINE, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 1189, a bill to provide procedures for claims for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products.

S. 1237

At the request of Mr. HATCH, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 1237, a bill to amend certain provisions of law relating to child pornography, and for other purposes.

S. 1628

At the request of Mr. BROWN, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 1628, a bill to amend title 17, United States Code, relating to the copyright interests of certain musical performances, and for other purposes.

S. 1734

At the request of Mr. BRYAN, his name was added as a cosponsor of S. 1734, a bill to prohibit false statements to Congress, to clarify congressional authority to obtain truthful testimony, and for other purposes.

S. 1925

At the request of Mr. GORTON, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 1925, a bill to amend the National Labor Relations Act to protect employer rights, and for other purposes.

S. 2030

At the request of Mr. LOTT, the names of the Senator from Tennessee [Mr. THOMPSON] and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 2030, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles, and for other purposes.

S. 2057

At the request of Mr. THURMOND, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 2057, a bill to amend title 38, United States Code, to make permanent the authority of the Secretary of Veterans Affairs guarantee loans with adjustable rate mortgages.

S. 2104

At the request of Mr. THURMOND, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 2104, a bill to amend chapter 71 of title 5, United States Code, to prohibit the use of Federal funds for certain Federal employee labor organization activities, and for other purposes.

S. 2108

At the request of Mr. DORGAN, the name of the Senator from Connecticut