

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 5431

(Purpose: To provide for a limitation on reasonable costs and fees under special circumstances, and for other purposes)

Mr. LOTT. Mr. President, Senator HATCH has a technical amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT], for Mr. HATCH, proposes an amendment numbered 5431.

The amendment is as follows:

On page 2, line 8, strike all after the period through "Acts." on line 13 and insert "Notwithstanding the preceding sentences, unless the action has been pending for more than 10 years from the time of filing to the time that the owner applies for such costs and fees, reasonable and entire compensation shall not include such costs and fees if the court finds that the position of the United States was substantially justified or that special circumstances make an award unjust."

On page 2, line 17, strike "January 1, 1996" and insert "the date of the enactment of this Act".

Mr. LOTT. Mr. President, I ask unanimous consent that the amendment be agreed to.

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

The amendment (No. 5431) was agreed to.

Mr. LOTT. Mr. President, I ask unanimous consent that the bill be deemed read a third time and passed, as amended, the motion to reconsider be laid upon the table, and any statements relating to the measure be placed at the appropriate place in the RECORD.

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

The bill (H.R. 632), as amended, was deemed read the third time and passed.

OLDER AMERICANS INDIAN TECHNICAL AMENDMENTS ACT

Mr. LOTT. Mr. President, I ask the Chair lay before the Senate a message from the House of Representatives on (S. 1972) to amend the Older Americans Act of 1965 to improve the provisions relating to Indians, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Strike out all after the enacting clause, and insert:

SECTION 1. TABLE OF CONTENTS.

Sec. 1. Table of contents.

TITLE I—OLDER AMERICANS ACT OF 1965

Sec. 101. Indian employment; definition of Indian reservation.

Sec. 102. Population statistics development.

Sec. 103. Reporting requirements.

Sec. 104. Expenditure of funds for nutrition services.

Sec. 105. Coordination of services.

TITLE II—EXTENSION OF PROGRAMS; MUSEUMS AND LIBRARIES

Subtitle A—Extension of Programs

Sec. 201. Extension of National Literacy Act of 1991.

Sec. 202. Adult Education Act amendments.

Sec. 203. Extension of Carl D. Perkins Vocational and Applied Technology Education Act.

Subtitle B—Museums and Libraries

Sec. 211. Museum and library services.

Sec. 212. National Commission on Libraries and Information Science.

Sec. 213. Transfer of functions from Institute of Museum Services.

Sec. 214. Service of individuals serving on date of enactment.

Sec. 215. Consideration.

Sec. 216. Transition and transfer of funds.

TITLE III—HIGHER EDUCATION

Subtitle A—Debt Reduction

Sec. 301. Unsubsidized student loans.

Sec. 302. Study of loan fees.

Subtitle B—Financial Responsibility Standards

Sec. 311. Extension of public comment period.

TITLE I—OLDER AMERICANS ACT OF 1965

SEC. 101. INDIAN EMPLOYMENT; DEFINITION OF INDIAN RESERVATION.

Section 502(b)(1)(B) of the Older Americans Act of 1965 (42 U.S.C. 3056(b)(1)(B)) is amended to read as follows:

"(B) (i) will provide employment for eligible individuals in the community in which such individuals reside, or in nearby communities; or

"(ii) if such project is carried out by a tribal organization that enters into an agreement under this subsection or receives assistance from a State that enters into such an agreement, will provide employment for such individuals who are Indians residing on or near an Indian reservation, as the term is defined in section 2601(2) of the Energy Policy Act of 1992 (25 U.S.C. 3501(2));"

SEC. 102. POPULATION STATISTICS DEVELOPMENT.

Section 614(b) of the Older Americans Act of 1965 (42 U.S.C. 3057e(b)) is amended by striking "certification" and inserting "approval".

SEC. 103. REPORTING REQUIREMENTS.

Section 614(c) of the Older Americans Act of 1965 (42 U.S.C. 3057e(c)) is amended—

(1) by inserting "(1)" after "(c)"; and
(2) by adding at the end the following new paragraph:

"(2) The Assistant Secretary shall provide waivers and exemptions of the reporting requirements of subsection (a)(3) for applicants that serve Indian populations in geographically isolated areas, or applicants that serve small Indian populations, where the small scale of the project, the nature of the applicant, or other factors make the reporting requirements unreasonable under the circumstances. The Assistant Secretary shall consult with such applicants in establishing appropriate waivers and exemptions."

SEC. 104. EXPENDITURE OF FUNDS FOR NUTRITION SERVICES.

Section 614(c) of the Older Americans Act of 1965 (42 U.S.C. 3057e(c)), as amended by section 103, is further amended by adding at the end the following new paragraph:

"(3) In determining whether an application complies with the requirements of subsection (a)(8), the Assistant Secretary shall provide maximum flexibility to an applicant who seeks to take into account subsistence needs, local customs, and other characteristics that are appropriate to the unique cultural, regional, and geographical needs of the Indian populations to be served."

SEC. 105. COORDINATION OF SERVICES.

Section 614(c) of the Older Americans Act of 1965 (42 U.S.C. 3057e(c)), as amended by section

104, is further amended by adding at the end the following new paragraph:

"(4) In determining whether an application complies with the requirements of subsection (a)(12), the Assistant Secretary shall require only that an applicant provide an appropriate narrative description of the geographical area to be served and an assurance that procedures will be adopted to ensure against duplicate services being provided to the same recipients."

TITLE II—EXTENSION OF PROGRAMS; MUSEUMS AND LIBRARIES

Subtitle A—Extension of Programs

SEC. 201. EXTENSION OF NATIONAL LITERACY ACT OF 1991.

(a) NATIONAL WORKFORCE LITERACY ASSISTANCE COLLABORATIVE.—Subsection (c) of section 201 of the National Literacy Act of 1991 (20 U.S.C. 1211-1(c)) is amended by striking "\$5,000,000" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 1997."

(b) FUNCTIONAL LITERACY AND LIFE SKILLS PROGRAM FOR STATE AND LOCAL PRISONERS.—Paragraph (3) of section 601(i) of the National Literacy Act of 1991 (20 U.S.C. 1211-2(i)) is amended by striking "\$10,000,000" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 1997."

SEC. 202. ADULT EDUCATION ACT AMENDMENTS.

The Adult Education Act (20 U.S.C. 1201 et seq.) is amended—

(1) in section 312—

(A) in each of subparagraphs (A) and (B) of paragraph (11), by moving the left margin two ems to the right;

(B) in each of paragraphs (11) through (15), by moving the left margin two ems to the right; and

(C) by adding at the end the following:

"(16) The term 'family literacy services' means services that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family and that integrate all of the following activities:

"(A) Interactive literacy activities between parents and their children.

"(B) Training for parents on how to be the primary teacher for their children and full partners in the education of their children.

"(C) Parent literacy training.

"(D) An age-appropriate education program for children."

(2) in section 313(a), by striking "the fiscal year 1991," and all that follows through "1995" and inserting "fiscal year 1997";

(3) in section 321, by inserting "and family literacy services" after "and activities";

(4) in the first sentence of section 322(a)(1), by inserting "and family literacy services" after "adult education programs";

(5) in section 341(a), by inserting "and for family literacy services" after "adult education";

(6) in section 356(k), by striking "\$25,000,000" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 1997";

(7) in section 371(e)(1), by striking "the fiscal year 1991," and all that follows through the period and inserting "fiscal year 1997";

(8) in section 384, by striking subsections (c) through (n); and

(9) by adding at the end the following:

"SEC. 386. NATIONAL INSTITUTE FOR LITERACY.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established the National Institute for Literacy (in this section referred to as the 'Institute'). The Institute shall be administered under the terms of an interagency agreement entered into by the Secretary of Education with the Secretary of Labor and the Secretary of Health and Human Services (in this section referred to as the 'Interagency Group'). The Interagency Group may include in the Institute any research and development center, institute, or clearinghouse established within the Department of Education, the Department of Labor, or the Department of Health and

Human Services whose purpose is determined by the Interagency Group to be related to the purpose of the Institute.

“(2) OFFICES.—The Institute shall have offices separate from the offices of the Department of Education, the Department of Labor, and the Department of Health and Human Services.

“(3) BOARD RECOMMENDATIONS.—The Interagency Group shall consider the recommendations of the National Institute for Literacy Advisory Board (in this section referred to as the ‘Board’) established under subsection (d) in planning the goals of the Institute and in the implementation of any programs to achieve such goals.

“(4) DAILY OPERATIONS.—The daily operations of the Institute shall be carried out by the Director of the Institute appointed under subsection (g).

“(b) DUTIES.—

“(1) IN GENERAL.—The Institute shall improve the quality and accountability of the adult basic skills and literacy delivery system by—

“(A) providing national leadership for the improvement and expansion of the system for delivery of literacy services;

“(B) coordinating the delivery of such services across Federal agencies;

“(C) identifying effective models of basic skills and literacy education for adults and families that are essential to success in job training, work, the family, and the community;

“(D) supporting the creation of new methods of offering improved literacy services;

“(E) funding a network of State or regional adult literacy resource centers to assist State and local public and private nonprofit efforts to improve literacy by—

“(i) encouraging the coordination of literacy services;

“(ii) carrying out evaluations of the effectiveness of adult education and literacy activities;

“(iii) enhancing the capacity of State and local organizations to provide literacy services; and

“(iv) serving as a reciprocal link between the Institute and providers of adult education and literacy activities for the purpose of sharing information, data, research, expertise, and literacy resources;

“(F) supporting the development of models at the State and local level of accountability systems that consist of goals, performance measures, benchmarks, and assessments that can be used to improve the quality of adult education and literacy activities;

“(G) providing information, and other program improvement activities to national, State, and local organizations, such as—

“(i) improving the capacity of national, State, and local public and private organizations that provide literacy and basic skills services, professional development, and technical assistance, such as the State or regional adult literacy resource centers referred to in subparagraph (E); and

“(ii) establishing a national literacy electronic database and communications network;

“(H) working with the Interagency Group, Federal agencies, and the Congress to ensure that such Group, agencies, and the Congress have the best information available on literacy and basic skills programs in formulating Federal policy with respect to the issues of literacy, basic skills, and workforce and career development; and

“(I) assisting with the development of policy with respect to literacy and basic skills.

“(2) GRANTS, CONTRACTS, AND AGREEMENTS.—The Institute may make grants to, or enter into contracts or cooperative agreements with, individuals, public or private institutions, agencies, organizations, or consortia of such institutions, agencies, or organizations to carry out the activities of the Institute. Such grants, contracts, or agreements shall be subject to the laws and regulations that generally apply to grants, contracts, or agreements entered into by Federal agencies.

“(c) LITERACY LEADERSHIP.—

“(1) FELLOWSHIPS.—The Institute, in consultation with the Board, may award fellowships, with such stipends and allowances as the Director considers necessary, to outstanding individuals pursuing careers in adult education or literacy in the areas of instruction, management, research, or innovation.

“(2) USE OF FELLOWSHIPS.—Fellowships awarded under this subsection shall be used, under the auspices of the Institute, to engage in research, education, training, technical assistance, or other activities to advance the field of adult education or literacy, including the training of volunteer literacy providers at the national, State, or local level.

“(3) INTERNS AND VOLUNTEERS.—The Institute, in consultation with the Board, may award paid and unpaid internships to individuals seeking to assist the Institute in carrying out its mission. Notwithstanding section 1342 of title 31, United States Code, the Institute may accept and use voluntary and uncompensated services as the Institute determines necessary.

“(d) NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD.—

“(1) ESTABLISHMENT.—

“(A) IN GENERAL.—There is established a National Institute for Literacy Advisory Board. The Board shall consist of 10 individuals appointed by the President, with the advice and consent of the Senate, from individuals who—

“(i) are not otherwise officers or employees of the Federal Government; and

“(ii) are representative of entities or groups described in subparagraph (B).

“(B) ENTITIES OR GROUPS DESCRIBED.—The entities or groups referred to in subparagraph (A) are—

“(i) literacy organizations and providers of literacy services, including—

“(I) nonprofit providers of literacy services;

“(II) providers of programs and services involving English language instruction; and

“(III) providers of services receiving assistance under this title;

“(ii) businesses that have demonstrated interest in literacy programs;

“(iii) literacy students;

“(iv) experts in the area of literacy research;

“(v) State and local governments; and

“(vi) representatives of employees.

“(2) DUTIES.—The Board—

“(A) shall make recommendations concerning the appointment of the Director and staff of the Institute;

“(B) shall provide independent advice on the operation of the Institute; and

“(C) shall receive reports from the Interagency Group and the Director.

“(3) FEDERAL ADVISORY COMMITTEE ACT.—Except as otherwise provided, the Board established by this subsection shall be subject to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

“(4) TERMS.—

“(A) IN GENERAL.—Each member of the Board shall be appointed for a term of 3 years, except that the initial terms for members may be 1, 2, or 3 years in order to establish a rotation in which 1/3 of the members are selected each year. Any such member may be appointed for not more than 2 consecutive terms.

“(B) VACANCY APPOINTMENTS.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Board shall be filled in the manner in which the original appointment was made. A vacancy in the Board shall not affect the powers of the Board.

“(5) QUORUM.—A majority of the members of the Board shall constitute a quorum but a lesser number may hold hearings. Any recommendation of the Board may be passed only by a majority of the Board's members present.

“(6) ELECTION OF OFFICERS.—The Chairperson and Vice Chairperson of the Board shall be elected by the members of the Board. The term of office of the Chairperson and Vice Chairperson shall be 2 years.

“(7) MEETINGS.—The Board shall meet at the call of the Chairperson or a majority of the members of the Board.

“(e) GIFTS, BEQUESTS, AND DEVICES.—The Institute may accept, administer, and use gifts or donations of services, money, or property, both real and personal.

“(f) MAILS.—The Board and the Institute may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

“(g) DIRECTOR.—The Interagency Group, after considering recommendations made by the Board, shall appoint and fix the pay of a Director.

“(h) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Institute may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the maximum rate payable under section 5376 of title 5, United States Code.

“(i) EXPERTS AND CONSULTANTS.—The Board and the Institute may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

“(j) REPORT.—The Institute shall submit a report biennially to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate. Each report submitted under this subsection shall include—

“(1) a comprehensive and detailed description of the Institute's operations, activities, financial condition, and accomplishments in the field of literacy for the period covered by the report;

“(2) a description of how plans for the operation of the Institute for the succeeding two fiscal years will facilitate achievement of the goals of the Institute and the goals of the literacy programs within the Department of Education, the Department of Labor, and the Department of Health and Human Services; and

“(3) any additional minority, or dissenting views submitted by members of the Board.

“(k) FUNDING.—Any amounts appropriated to the Secretary of Education, the Secretary of Labor, or the Secretary of Health and Human Services for purposes that the Institute is authorized to perform under this section may be provided to the Institute for such purposes.

“(l) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated \$10,000,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out this section.”

SEC. 203. EXTENSION OF CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT.

Subsection (a) of section 3 of the Carl D. Perkins Vocational and Applied Technology Act is amended by striking “appropriated” and all that follows through “1995” and inserting “appropriated for fiscal year 1997 such sums as may be necessary”.

Subtitle B—Museums and Libraries

SEC. 211. MUSEUM AND LIBRARY SERVICES.

The Museum Services Act (20 U.S.C. 961 et seq.) is amended to read as follows:

“TITLE II—MUSEUM AND LIBRARY SERVICES

“Subtitle A—General Provisions

“SEC. 201. SHORT TITLE.

“This title may be cited as the ‘Museum and Library Services Act’.

"SEC. 202. GENERAL DEFINITIONS.

"As used in this title:

"(1) **COMMISSION.**—The term 'Commission' means the National Commission on Libraries and Information Science established under section 3 of the National Commission on Libraries and Information Sciences Act (20 U.S.C. 1502).

"(2) **DIRECTOR.**—The term 'Director' means the Director of the Institute appointed under section 204.

"(3) **INSTITUTE.**—The term 'Institute' means the Institute of Museum and Library Services established under section 203.

"(4) **MUSEUM BOARD.**—The term 'Museum Board' means the National Museum Services Board established under section 275.

"SEC. 203. INSTITUTE OF MUSEUM AND LIBRARY SERVICES.

"(a) **ESTABLISHMENT.**—There is established, within the National Foundation on the Arts and the Humanities, an Institute of Museum and Library Services.

"(b) **OFFICES.**—The Institute shall consist of an Office of Museum Services and an Office of Library Services. There shall be a National Museum Services Board in the Office of Museum Services.

"SEC. 204. DIRECTOR OF THE INSTITUTE.

"(a) **APPOINTMENT.**—

"(1) **IN GENERAL.**—The Institute shall be headed by a Director, appointed by the President, by and with the advice and consent of the Senate.

"(2) **TERM.**—The Director shall serve for a term of 4 years.

"(3) **QUALIFICATIONS.**—Beginning with the first individual appointed to the position of Director after the date of the enactment of the Act entitled 'An Act to amend the Older Americans Act of 1965, and for other purposes', every second individual so appointed shall be appointed from among individuals who have special competence with regard to library and information services. Beginning with the second individual appointed to the position of Director after the date of enactment of the Act entitled 'An Act to amend the Older Americans Act of 1965, and for other purposes', every second individual so appointed shall be appointed from among individuals who have special competence with regard to museum services.

"(b) **COMPENSATION.**—The Director may be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

"(c) **DUTIES AND POWERS.**—The Director shall perform such duties and exercise such powers as may be prescribed by law, including awarding financial assistance for activities described in this title.

"(d) **NONDELEGATION.**—The Director shall not delegate any of the functions of the Director to any person who is not an officer or employee of the Institute.

"(e) **COORDINATION.**—The Director shall ensure coordination of the policies and activities of the Institute with the policies and activities of other agencies and offices of the Federal Government having interest in and responsibilities for the improvement of museums and libraries and information services.

"SEC. 205. DEPUTY DIRECTORS.

"The Office of Library Services shall be headed by a Deputy Director, who shall be appointed by the Director from among individuals who have a graduate degree in library science and expertise in library and information services. The Office of Museum Services shall be headed by a Deputy Director, who shall be appointed by the Director from among individuals who have expertise in museum services.

"SEC. 206. PERSONNEL.

"(a) **IN GENERAL.**—The Director may, in accordance with applicable provisions of title 5, United States Code, appoint and determine the compensation of such employees as the Director determines to be necessary to carry out the duties of the Institute.

"(b) **VOLUNTARY SERVICES.**—The Director may accept and utilize the voluntary services of individuals and reimburse the individuals for travel expenses, including per diem in lieu of subsistence, in the same amounts and to the same extent as authorized under section 5703 of title 5, United States Code, for persons employed intermittently in Federal Government service.

"SEC. 207. CONTRIBUTIONS.

"The Institute is authorized to solicit, accept, receive, and invest in the name of the United States, gifts, bequests, or devises of money and other property or services and to use such property or services in furtherance of the functions of the Institute. Any proceeds from such gifts, bequests, or devises, after acceptance by the Institute, shall be paid by the donor or the representative of the donor to the Director. The Director shall enter the proceeds in a special interest-bearing account to the credit of the Institute for the purposes specified in each case.

"Subtitle B—Library Services and Technology**"SEC. 211. SHORT TITLE.**

"This subtitle may be cited as the 'Library Services and Technology Act'.

"SEC. 212. PURPOSE.

"It is the purpose of this subtitle—

"(1) to consolidate Federal library service programs;

"(2) to stimulate excellence and promote access to learning and information resources in all types of libraries for individuals of all ages;

"(3) to promote library services that provide all users access to information through State, regional, national and international electronic networks;

"(4) to provide linkages among and between libraries; and

"(5) to promote targeted library services to people of diverse geographic, cultural, and socioeconomic backgrounds, to individuals with disabilities, and to people with limited functional literacy or information skills.

"SEC. 213. DEFINITIONS.

"As used in this subtitle:

"(1) **INDIAN TRIBE.**—The term 'Indian tribe' means any tribe, band, nation, or other organized group or community, including any Alaska native village, regional corporation, or village corporation, as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized by the Secretary of the Interior as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

"(2) **LIBRARY.**—The term 'library' includes—

"(A) a public library;

"(B) a public elementary school or secondary school library;

"(C) an academic library;

"(D) a research library, which for the purposes of this subtitle means a library that—

"(i) makes publicly available library services and materials suitable for scholarly research and not otherwise available to the public; and

"(ii) is not an integral part of an institution of higher education; and

"(E) a private library, but only if the State in which such private library is located determines that the library should be considered a library for purposes of this subtitle.

"(3) **LIBRARY CONSORTIUM.**—The term 'library consortium' means any local, statewide, regional, interstate, or international cooperative association of library entities which provides for the systematic and effective coordination of the resources of school, public, academic, and special libraries and information centers, for improved services for the clientele of such library entities.

"(4) **STATE.**—The term 'State', unless otherwise specified, includes each of the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa,

the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

"(5) **STATE LIBRARY ADMINISTRATIVE AGENCY.**—The term 'State library administrative agency' means the official agency of a State charged by the law of the State with the extension and development of public library services throughout the State.

"(6) **STATE PLAN.**—The term 'State plan' means the document which gives assurances that the officially designated State library administrative agency has the fiscal and legal authority and capability to administer all aspects of this subtitle, provides assurances for establishing the State's policies, priorities, criteria, and procedures necessary to the implementation of all programs under this subtitle, submits copies for approval as required by regulations promulgated by the Director, identifies a State's library needs, and sets forth the activities to be taken toward meeting the identified needs supported with the assistance of Federal funds made available under this subtitle.

"SEC. 214. AUTHORIZATION OF APPROPRIATIONS.

"(a) **AUTHORIZATION OF APPROPRIATIONS.**—

"(1) **IN GENERAL.**—There are authorized to be appropriated \$150,000,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out this subtitle.

"(2) **TRANSFER.**—The Secretary of Education shall—

"(A) transfer any funds appropriated under the authority of paragraph (1) to the Director to enable the Director to carry out this subtitle; and

"(B) not exercise any authority concerning the administration of this title other than the transfer described in subparagraph (A).

"(b) **FORWARD FUNDING.**—

"(1) **IN GENERAL.**—To the end of affording the responsible Federal, State, and local officers adequate notice of available Federal financial assistance for carrying out ongoing library activities and projects, appropriations for grants, contracts, or other payments under any program under this subtitle are authorized to be included in the appropriations Act for the fiscal year preceding the fiscal year during which such activities and projects shall be carried out.

"(2) **ADDITIONAL AUTHORIZATION OF APPROPRIATIONS.**—In order to effect a transition to the timing of appropriation action authorized by subsection (a), the application of this section may result in the enactment, in a fiscal year, of separate appropriations for a program under this subtitle (whether in the same appropriations Act or otherwise) for two consecutive fiscal years.

"(c) **ADMINISTRATION.**—Not more than 3 percent of the funds appropriated under this section for a fiscal year may be used to pay for the Federal administrative costs of carrying out this subtitle.

"CHAPTER 1—BASIC PROGRAM REQUIREMENTS**"SEC. 221. RESERVATIONS AND ALLOTMENTS.**

"(a) **RESERVATIONS.**—

"(1) **IN GENERAL.**—From the amount appropriated under the authority of section 214 for any fiscal year, the Director—

"(A) shall reserve 1½ percent to award grants in accordance with section 261; and

"(B) shall reserve 4 percent to award national leadership grants or contracts in accordance with section 262.

"(2) **SPECIAL RULE.**—If the funds reserved pursuant to paragraph (1)(B) for a fiscal year have not been obligated by the end of such fiscal year, then such funds shall be allotted in accordance with subsection (b) for the fiscal year succeeding the fiscal year for which the funds were so reserved.

"(b) **ALLOTMENTS.**—

"(1) **IN GENERAL.**—From the sums appropriated under the authority of section 214 and

not reserved under subsection (a) for any fiscal year, the Director shall award grants from minimum allotments, as determined under paragraph (3), to each State. Any sums remaining after minimum allotments are made for such year shall be allotted in the manner set forth in paragraph (2).

“(2) REMAINDER.—From the remainder of any sums appropriated under the authority of section 214 that are not reserved under subsection (a) and not allotted under paragraph (1) for any fiscal year, the Director shall award grants to each State in an amount that bears the same relation to such remainder as the population of the State bears to the population of all States.

“(3) MINIMUM ALLOTMENT.—

“(A) IN GENERAL.—For the purposes of this subsection, the minimum allotment for each State shall be \$340,000, except that the minimum allotment shall be \$40,000 in the case of the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

“(B) RATABLE REDUCTIONS.—If the sum appropriated under the authority of section 214 and not reserved under subsection (a) for any fiscal year is insufficient to fully satisfy the aggregate of the minimum allotments for all States for that purpose for such year, each of such minimum allotments shall be reduced ratably.

“(C) SPECIAL RULE.—

“(i) IN GENERAL.—Notwithstanding any other provision of this subsection and using funds allotted for the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau under this subsection, the Director shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau to carry out activities described in this subtitle in accordance with the provisions of this subtitle that the Director determines are not inconsistent with this subparagraph.

“(ii) AWARD BASIS.—The Director shall award grants pursuant to clause (i) on a competitive basis and pursuant to recommendations from the Pacific Region Educational Laboratory in Honolulu, Hawaii.

“(iii) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall not receive any funds under this subtitle for any fiscal year that begins after September 30, 2001.

“(iv) ADMINISTRATIVE COSTS.—The Director may provide not more than 5 percent of the funds made available for grants under this subparagraph to pay the administrative costs of the Pacific Region Educational Laboratory regarding activities assisted under this subparagraph.

“(4) DATA.—The population of each State and of all the States shall be determined by the Director on the basis of the most recent data available from the Bureau of the Census.

“SEC. 222. ADMINISTRATION.

“(a) IN GENERAL.—Not more than 4 percent of the total amount of funds received under this subtitle for any fiscal year by a State may be used for administrative costs.

“(b) CONSTRUCTION.—Nothing in this section shall be construed to limit spending for evaluation costs under section 224(c) from sources other than this subtitle.

“SEC. 223. PAYMENTS; FEDERAL SHARE; AND MAINTENANCE OF EFFORT REQUIREMENTS.

“(a) PAYMENTS.—Subject to appropriations provided pursuant to section 214, the Director shall pay to each State library administrative agency having a State plan approved under section 224 the Federal share of the cost of the activities described in the State plan.

“(b) FEDERAL SHARE.—

“(1) IN GENERAL.—The Federal share shall be 66 percent.

“(2) NON-FEDERAL SHARE.—The non-Federal share of payments shall be provided from non-Federal, State, or local sources.

“(c) MAINTENANCE OF EFFORT.—

“(1) STATE EXPENDITURES.—

“(A) REQUIREMENT.—

“(i) IN GENERAL.—The amount otherwise payable to a State for a fiscal year pursuant to an allotment under this chapter shall be reduced if the level of State expenditures, as described in paragraph (2), for the previous fiscal year is less than the average of the total of such expenditures for the 3 fiscal years preceding that previous fiscal year. The amount of the reduction in allotment for any fiscal year shall be equal to the amount by which the level of such State expenditures for the fiscal year for which the determination is made is less than the average of the total of such expenditures for the 3 fiscal years preceding the fiscal year for which the determination is made.

“(ii) CALCULATION.—Any decrease in State expenditures resulting from the application of subparagraph (B) shall be excluded from the calculation of the average level of State expenditures for any 3-year period described in clause (i).

“(B) DECREASE IN FEDERAL SUPPORT.—If the amount made available under this subtitle for a fiscal year is less than the amount made available under this subtitle for the preceding fiscal year, then the expenditures required by subparagraph (A) for such preceding fiscal year shall be decreased by the same percentage as the percentage decrease in the amount so made available.

“(2) LEVEL OF STATE EXPENDITURES.—The level of State expenditures for the purposes of paragraph (1) shall include all State dollars expended by the State library administrative agency for library programs that are consistent with the purposes of this subtitle. All funds included in the maintenance of effort calculation under this subsection shall be expended during the fiscal year for which the determination is made, and shall not include capital expenditures, special one-time project costs, or similar windfalls.

“(3) WAIVER.—The Director may waive the requirements of paragraph (1) if the Director determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

“SEC. 224. STATE PLANS.

“(a) STATE PLAN REQUIRED.—

“(1) IN GENERAL.—In order to be eligible to receive a grant under this subtitle, a State library administrative agency shall submit a State plan to the Director not later than April 1, 1997.

“(2) DURATION.—The State plan shall cover a period of 5 fiscal years.

“(3) REVISIONS.—If a State library administrative agency makes a substantive revision to its State plan, then the State library administrative agency shall submit to the Director an amendment to the State plan containing such revision not later than April 1 of the fiscal year preceding the fiscal year for which the amendment will be effective.

“(b) CONTENTS.—The State plan shall—

“(1) establish goals, and specify priorities, for the State consistent with the purposes of this subtitle;

“(2) describe activities that are consistent with the goals and priorities established under paragraph (1), the purposes of this subtitle, and section 231, that the State library administrative agency will carry out during such year using such grant;

“(3) describe the procedures that such agency will use to carry out the activities described in paragraph (2);

“(4) describe the methodology that such agency will use to evaluate the success of the activi-

ties established under paragraph (2) in achieving the goals and meeting the priorities described in paragraph (1);

“(5) describe the procedures that such agency will use to involve libraries and library users throughout the State in policy decisions regarding implementation of this subtitle; and

“(6) provide assurances satisfactory to the Director that such agency will make such reports, in such form and containing such information, as the Director may reasonably require to carry out this subtitle and to determine the extent to which funds provided under this subtitle have been effective in carrying out the purposes of this subtitle.

“(c) EVALUATION AND REPORT.—Each State library administrative agency receiving a grant under this subtitle shall independently evaluate, and report to the Director regarding, the activities assisted under this subtitle, prior to the end of the 5-year plan.

“(d) INFORMATION.—Each library receiving assistance under this subtitle shall submit to the State library administrative agency such information as such agency may require to meet the requirements of subsection (c).

“(e) APPROVAL.—

“(1) IN GENERAL.—The Director shall approve any State plan under this subtitle that meets the requirements of this subtitle and provides satisfactory assurances that the provisions of such plan will be carried out.

“(2) PUBLIC AVAILABILITY.—Each State library administrative agency receiving a grant under this subtitle shall make the State plan available to the public.

“(3) ADMINISTRATION.—If the Director determines that the State plan does not meet the requirements of this section, the Director shall—

“(A) immediately notify the State library administrative agency of such determination and the reasons for such determination;

“(B) offer the State library administrative agency the opportunity to revise its State plan;

“(C) provide technical assistance in order to assist the State library administrative agency in meeting the requirements of this section; and

“(D) provide the State library administrative agency the opportunity for a hearing.

“CHAPTER 2—LIBRARY PROGRAMS

“SEC. 231. GRANTS TO STATES.

“(a) IN GENERAL.—Of the funds provided to a State library administrative agency under section 214, such agency shall expend, either directly or through subgrants or cooperative agreements, at least 96 percent of such funds for—

“(1) establishing or enhancing electronic linkages among or between libraries and library consortia; and

“(2) targeting library and information services to persons having difficulty using a library and to underserved urban and rural communities, including children (from birth through age 17) from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved.

“(b) SPECIAL RULE.—Each State library administrative agency receiving funds under this chapter may apportion the funds available for the purposes described in subsection (a) between the two purposes described in paragraphs (1) and (2) of such subsection, as appropriate, to meet the needs of the individual State.

“CHAPTER 3—ADMINISTRATIVE PROVISIONS

“Subchapter A—State Requirements

“SEC. 251. STATE ADVISORY COUNCILS.

“Each State desiring assistance under this subtitle may establish a State advisory council which is broadly representative of the library entities in the State, including public, school, academic, special, and institutional libraries,

and libraries serving individuals with disabilities.

"Subchapter B—Federal Requirements

"SEC. 261. SERVICES FOR INDIAN TRIBES.

"From amounts reserved under section 221(a)(1)(A) for any fiscal year the Director shall award grants to organizations primarily serving and representing Indian tribes to enable such organizations to carry out the activities described in section 231.

"SEC. 262. NATIONAL LEADERSHIP GRANTS OR CONTRACTS.

"(a) IN GENERAL.—From the amounts reserved under section 221(a)(1)(B) for any fiscal year the Director shall establish and carry out a program awarding national leadership grants or contracts to enhance the quality of library services nationwide and to provide coordination between libraries and museums. Such grants or contracts shall be used for activities that may include—

"(1) education and training of persons in library and information science, particularly in areas of new technology and other critical needs, including graduate fellowships, traineeships, institutes, or other programs;

"(2) research and demonstration projects related to the improvement of libraries, education in library and information science, enhancement of library services through effective and efficient use of new technologies, and dissemination of information derived from such projects;

"(3) preservation or digitization of library materials and resources, giving priority to projects emphasizing coordination, avoidance of duplication, and access by researchers beyond the institution or library entity undertaking the project; and

"(4) model programs demonstrating cooperative efforts between libraries and museums.

"(b) GRANTS OR CONTRACTS.—

"(1) IN GENERAL.—The Director may carry out the activities described in subsection (a) by awarding grants to, or entering into contracts with, libraries, agencies, institutions of higher education, or museums, where appropriate.

"(2) COMPETITIVE BASIS.—Grants and contracts under this section shall be awarded on a competitive basis.

"(c) SPECIAL RULE.—The Director shall make every effort to ensure that activities assisted under this section are administered by appropriate library and museum professionals or experts.

"SEC. 263. STATE AND LOCAL INITIATIVES.

"Nothing in this subtitle shall be construed to interfere with State and local initiatives and responsibility in the conduct of library services. The administration of libraries, the selection of personnel and library books and materials, and insofar as consistent with the purposes of this subtitle, the determination of the best uses of the funds provided under this subtitle, shall be reserved for the States and their local subdivisions.

"Subtitle C—Museum Services

"SEC. 271. PURPOSE.

"It is the purpose of this subtitle—

"(1) to encourage and assist museums in their educational role, in conjunction with formal systems of elementary, secondary, and post-secondary education, and with programs of nonformal education for all age groups;

"(2) to assist museums in modernizing their methods and facilities so that the museums are better able to conserve the cultural, historic, and scientific heritage of the United States; and

"(3) to ease the financial burden borne by museums as a result of their increasing use by the public.

"SEC. 272. DEFINITIONS.

"As used in this subtitle:

"(1) MUSEUM.—The term 'museum' means a public or private nonprofit agency or institution organized on a permanent basis for essentially educational or aesthetic purposes, that utilizes a

professional staff, owns or utilizes tangible objects, cares for the tangible objects, and exhibits the tangible objects to the public on a regular basis.

"(2) STATE.—The term 'State' means each of the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

"SEC. 273. MUSEUM SERVICES ACTIVITIES.

"(a) GRANTS.—The Director, subject to the policy direction of the Museum Board, may make grants to museums to pay for the Federal share of the cost of increasing and improving museum services, through such activities as—

"(1) programs that enable museums to construct or install displays, interpretations, and exhibitions in order to improve museum services provided to the public;

"(2) assisting museums in developing and maintaining professionally trained or otherwise experienced staff to meet the needs of the museums;

"(3) assisting museums in meeting the administrative costs of preserving and maintaining the collections of the museums, exhibiting the collections to the public, and providing educational programs to the public through the use of the collections;

"(4) assisting museums in cooperating with each other in developing traveling exhibitions, meeting transportation costs, and identifying and locating collections available for loan;

"(5) assisting museums in the conservation of their collections;

"(6) developing and carrying out specialized programs for specific segments of the public, such as programs for urban neighborhoods, rural areas, Indian reservations, and penal and other State institutions; and

"(7) model programs demonstrating cooperative efforts between libraries and museums.

"(b) CONTRACTS AND COOPERATIVE AGREEMENTS.—

"(1) PROJECTS TO STRENGTHEN MUSEUM SERVICES.—The Director, subject to the policy direction of the Museum Board, is authorized to enter into contracts and cooperative agreements with appropriate entities, as determined by the Director, to pay for the Federal share of enabling the entities to undertake projects designed to strengthen museum services, except that any contracts or cooperative agreements entered into pursuant to this subsection shall be effective only to such extent or in such amounts as are provided in appropriations acts.

"(2) LIMITATION ON AMOUNT.—The aggregate amount of financial assistance made available under this subsection for a fiscal year shall not exceed 15 percent of the amount appropriated under this subtitle for such fiscal year.

"(3) OPERATIONAL EXPENSES.—No financial assistance may be provided under this subsection to pay for operational expenses.

"(c) FEDERAL SHARE.—

"(1) 50 PERCENT.—Except as provided in paragraph (2), the Federal share described in subsections (a) and (b) shall be not more than 50 percent.

"(2) GREATER THAN 50 PERCENT.—The Director may use not more than 20 percent of the funds made available under this subtitle for a fiscal year to make grants under subsection (a), or enter into contracts or agreements under subsection (b), for which the Federal share may be greater than 50 percent.

"(d) REVIEW AND EVALUATION.—The Director shall establish procedures for reviewing and evaluating grants, contracts, and cooperative agreements made or entered into under this subtitle. Procedures for reviewing grant applications or contracts and cooperative agreements for financial assistance under this subtitle shall not be subject to any review outside of the Institute.

"SEC. 274. AWARD.

"The Director, with the advice of the Museum Board, may annually award a National Award for Museum Service to outstanding museums that have made significant contributions in service to their communities.

"SEC. 275. NATIONAL MUSEUM SERVICES BOARD.

"(a) ESTABLISHMENT.—There is established in the Institute a National Museum Services Board.

"(b) COMPOSITION AND QUALIFICATIONS.—

"(1) COMPOSITION.—The Museum Board shall consist of the Director and 14 members appointed by the President, by and with the advice and consent of the Senate.

"(2) QUALIFICATIONS.—The appointive members of the Museum Board shall be selected from among citizens of the United States—

"(A) who are members of the general public;

"(B) who are or have been affiliated with—

"(i) resources that, collectively, are broadly representative of the curatorial, conservation, educational, and cultural resources of the United States; or

"(ii) museums that, collectively, are broadly representative of various types of museums, including museums relating to science, history, technology, art, zoos, and botanical gardens; and

"(C) who are recognized for their broad knowledge, expertise, or experience in museums or commitment to museums.

"(3) GEOGRAPHIC AND OTHER REPRESENTATION.—Members of the Museum Board shall be appointed to reflect persons from various geographic regions of the United States. The Museum Board may not include, at any time, more than 3 members from a single State. In making such appointments, the President shall give due regard to equitable representation of women, minorities, and persons with disabilities who are involved with museums.

"(c) TERMS.—

"(1) IN GENERAL.—Each appointive member of the Museum Board shall serve for a term of 5 years, except that—

"(A) of the members first appointed, 3 shall serve for terms of 5 years, 3 shall serve for terms of 4 years, 3 shall serve for terms of 3 years, 3 shall serve for terms of 2 years, and 2 shall serve for terms of 1 year, as designated by the President at the time of nomination for appointment; and

"(B) any member appointed to fill a vacancy shall serve for the remainder of the term for which the predecessor of the member was appointed.

"(2) REAPPOINTMENT.—No member of the Museum Board who has been a member for more than 7 consecutive years shall be eligible for reappointment.

"(3) SERVICE UNTIL SUCCESSOR TAKES OFFICE.—Notwithstanding any other provision of this subsection, a member of the Museum Board shall serve after the expiration of the term of the member until the successor to the member takes office.

"(d) DUTIES AND POWERS.—The Museum Board shall have the responsibility to advise the Director on general policies with respect to the duties, powers, and authority of the Institute relating to museum services, including general policies with respect to—

"(1) financial assistance awarded under this subtitle for museum services; and

"(2) projects described in section 262(a)(4).

"(e) CHAIRPERSON.—The President shall designate 1 of the appointive members of the Museum Board as Chairperson of the Museum Board.

"(f) MEETINGS.—

"(1) IN GENERAL.—The Museum Board shall meet—

"(A) not less than 3 times each year, including—

"(i) not less than 2 times each year separately; and

"(ii) not less than 1 time each year in a joint meeting with the Commission, convened for purposes of making general policies with respect to financial assistance for projects described in section 262(a)(4); and

"(B) at the call of the Director.

"(2) VOTE.—All decisions by the Museum Board with respect to the exercise of the duties and powers of the Museum Board shall be made by a majority vote of the members of the Museum Board who are present. All decisions by the Commission and the Museum Board with respect to the policies described in paragraph (1)(A)(ii) shall be made by a $\frac{2}{3}$ majority vote of the total number of the members of the Commission and the Museum Board who are present.

"(g) QUORUM.—A majority of the members of the Museum Board shall constitute a quorum for the conduct of business at official meetings of the Museum Board, but a lesser number of members may hold hearings. A majority of the members of the Commission and a majority of the members of the Museum Board shall constitute a quorum for the conduct of business at official joint meetings of the Commission and the Museum Board.

"(h) COMPENSATION AND TRAVEL EXPENSES.—

"(1) COMPENSATION.—Each member of the Museum Board who is not an officer or employee of the Federal Government may be compensated at a rate to be fixed by the President, but not to exceed the daily equivalent of the maximum rate authorized for a position above grade GS-15 of the General Schedule under section 5108 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Museum Board. All members of the Museum Board who are officers or employees of the Federal Government shall serve without compensation in addition to compensation received for their services as officers or employees of the Federal Government.

"(2) TRAVEL EXPENSES.—The members of the Museum Board may be allowed travel expenses, including per diem in lieu of subsistence, in the same amounts and to the same extent, as authorized under section 5703 of title 5, United States Code, for persons employed intermittently in Federal Government service.

"(i) COORDINATION.—The Museum Board, with the advice of the Director, shall take steps to ensure that the policies and activities of the Institute are coordinated with other activities of the Federal Government.

"SEC. 276. AUTHORIZATION OF APPROPRIATIONS.

"(a) GRANTS.—For the purpose of carrying out this subtitle, there are authorized to be appropriated to the Director \$28,700,000 for the fiscal year 1997, and such sums as may be necessary for each of the fiscal years 1998 through 2002.

"(b) ADMINISTRATION.—Not more than 10 percent of the funds appropriated under this section for a fiscal year may be used to pay for the administrative costs of carrying out this subtitle.

"(c) SUMS REMAINING AVAILABLE.—Sums appropriated pursuant to subsection (a) for any fiscal year shall remain available for obligation until expended."

SEC. 212. NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE.

(a) FUNCTIONS.—Section 5 of the National Commission on Libraries and Information Science Act (20 U.S.C. 1504) is amended—

(1) by redesignating subsections (b) through (d) as subsections (d) through (f), respectively; and

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

"(b) The Commission shall have the responsibility to advise the Director of the Institute of Museum and Library Services on general policies with respect to the duties, powers, and authority of the Institute of Museum and Library Services relating to library services, including—

"(1) general policies with respect to—

"(A) financial assistance awarded under the Museum and Library Services Act for library services; and

"(B) projects described in section 262(a)(4) of such Act; and

"(2) measures to ensure that the policies and activities of the Institute of Museum and Library Services are coordinated with other activities of the Federal Government.

"(c)(1) The Commission shall meet not less than 1 time each year in a joint meeting with the National Museum Services Board, convened for purposes of providing advice on general policy with respect to financial assistance for projects described in section 262(a)(4) of such Act.

"(2) All decisions by the Commission and the National Museum Services Board with respect to the advice on general policy described in paragraph (1) shall be made by a $\frac{2}{3}$ majority vote of the total number of the members of the Commission and the National Museum Services Board who are present.

"(3) A majority of the members of the Commission and a majority of the members of the National Museum Services Board shall constitute a quorum for the conduct of business at official joint meetings of the Commission and the National Museum Services Board."

(b) MEMBERSHIP.—Section 6 of the National Commission on Libraries and Information Science Act (20 U.S.C. 1505) is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking "Librarian of Congress" and inserting "Librarian of Congress, the Director of the Institute of Museum and Library Services (who shall serve as an ex officio, nonvoting member)";

(B) in the second sentence—

(i) by striking "special competence or interest in" and inserting "special competence in or knowledge of"; and

(ii) by inserting before the period the following: "and at least one other of whom shall be knowledgeable with respect to the library and information service and science needs of the elderly";

(C) in the third sentence, by inserting "appointive" before "members"; and

(D) in the last sentence, by striking "term and at least" and all that follows and inserting "term."; and

(2) in subsection (b), by striking "the rate specified" and all that follows through "and while" and inserting "the daily equivalent of the maximum rate authorized for a position above grade GS-15 of the General Schedule under section 5108 of title 5, United States Code, for each day (including traveltime) during which the members are engaged in the business of the Commission. While".

SEC. 213. TRANSFER OF FUNCTIONS FROM INSTITUTE OF MUSEUM SERVICES.

(a) DEFINITIONS.—For purposes of this section, unless otherwise provided or indicated by the context—

(1) the term "Federal agency" has the meaning given to the term "agency" by section 551(1) of title 5, United States Code;

(2) the term "function" means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(3) the term "office" includes any office, administration, agency, institute, unit, organizational entity, or component thereof.

(b) TRANSFER OF FUNCTIONS FROM THE INSTITUTE OF MUSEUM SERVICES AND THE LIBRARY PROGRAM OFFICE.—There are transferred to the Director of the Institute of Museum and Library Services established under section 203 of the Museum and Library Services Act—

(1) all functions that the Director of the Institute of Museum Services exercised before the date of enactment of this section (including all related functions of any officer or employee of the Institute of Museum Services); and

(2) all functions that the Director of Library Programs in the Office of Educational Research

and Improvement in the Department of Education exercised before the date of enactment of this section and any related function of any officer or employee of the Department of Education.

(c) DETERMINATIONS OF CERTAIN FUNCTIONS BY THE OFFICE OF MANAGEMENT AND BUDGET.—If necessary, the Office of Management and Budget shall make any determination of the functions that are transferred under subsection (b).

(d) DELEGATION AND ASSIGNMENT.—Except where otherwise expressly prohibited by law or otherwise provided by this section, the Director of the Institute of Museum and Library Services may delegate any of the functions transferred to the Director of the Institute of Museum and Library Services by this section and any function transferred or granted to such Director of the Institute of Museum and Library Services after the effective date of this section to such officers and employees of the Institute of Museum and Library Services as the Director of the Institute of Museum and Library Services may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate, except that any delegation of any such functions with respect to libraries shall be made to the Deputy Director of the Office of Library Services and with respect to museums shall be made to the Deputy Director of the Office of Museum Services. No delegation of functions by the Director of the Institute of Museum and Library Services under this section or under any other provision of this section shall relieve such Director of the Institute of Museum and Library Services of responsibility for the administration of such functions.

(e) REORGANIZATION.—The Director of the Institute of Museum and Library Services may allocate or reallocate any function transferred under subsection (b) among the officers of the Institute of Museum and Library Services, and may establish, consolidate, alter, or discontinue such organizational entities in the Institute of Museum and Library Services as may be necessary or appropriate.

(f) RULES.—The Director of the Institute of Museum and Library Services may prescribe, in accordance with chapters 5 and 6 of title 5, United States Code, such rules and regulations as the Director of the Institute of Museum and Library Services determines to be necessary or appropriate to administer and manage the functions of the Institute of Museum and Library Services.

(g) TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL.—Except as otherwise provided in this section, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred by this section, subject to section 1531 of title 31, United States Code, shall be transferred to the Institute of Museum and Library Services. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(h) INCIDENTAL TRANSFERS.—The Director of the Office of Management and Budget, at such time or times as the Director shall provide, may make such determinations as may be necessary with regard to the functions transferred by this section, and make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out this section. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this section and for

such further measures and dispositions as may be necessary to effectuate the purposes of this section.

(i) **EFFECT ON PERSONNEL.**—

(1) **IN GENERAL.**—Except as otherwise provided by this section, the transfer pursuant to this section of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for 1 year after the date of transfer of such employee under this section.

(2) **EXECUTIVE SCHEDULE POSITIONS.**—Except as otherwise provided in this section, any person who, on the day preceding the effective date of this section, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the Institute of Museum and Library Services to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

(j) **SAVINGS PROVISIONS.**—

(1) **CONTINUING EFFECT OF LEGAL DOCUMENTS.**—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(A) that have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official of a Federal agency, or by a court of competent jurisdiction, in the performance of functions that are transferred under this section; and

(B) that were in effect before the effective date of this section, or were final before the effective date of this section and are to become effective on or after the effective date of this section;

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Director of the Institute of Museum and Library Services or other authorized official, a court of competent jurisdiction, or by operation of law.

(2) **PROCEEDINGS NOT AFFECTED.**—This section shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the Institute of Museum Services on the effective date of this section, with respect to functions transferred by this section. Such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken from the orders, and payments shall be made pursuant to the orders, as if this section had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this paragraph shall be construed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(3) **SUITS NOT AFFECTED.**—This section shall not affect suits commenced before the effective date of this section, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this section had not been enacted.

(4) **NONABATEMENT OF ACTIONS.**—No suit, action, or other proceeding commenced by or against the Institute of Museum Services, or by or against any individual in the official capacity of such individual as an officer of the Institute of Museum Services, shall abate by reason of the enactment of this section.

(5) **ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.**—Any administrative action relating to the preparation or promulgation of a regulation by the Institute of Museum Services relating to a function transferred under this section may be continued by the Institute of Museum and Library Services with the same effect as if this section had not been enacted.

(k) **TRANSITION.**—The Director of the Institute of Museum and Library Services may utilize—

(1) the services of such officers, employees, and other personnel of the Institute of Museum Services with respect to functions transferred to the Institute of Museum and Library Services by this section; and

(2) funds appropriated to such functions for such period of time as may reasonably be needed to facilitate the orderly implementation of this section.

(l) **REFERENCES.**—A reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the Director of the Institute of Museum Services with regard to functions transferred under subsection (b), shall be deemed to refer to the Director of the Institute of Museum and Library Services; and

(2) the Institute of Museum Services with regard to functions transferred under subsection (b), shall be deemed to refer to the Institute of Museum and Library Services.

(m) **ADDITIONAL CONFORMING AMENDMENTS.**—

(1) **RECOMMENDED LEGISLATION.**—After consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, the Director of the Institute of Museum and Library Services shall prepare and submit to the appropriate committees of Congress recommended legislation containing technical and conforming amendments to reflect the changes made by this section.

(2) **SUBMISSION TO CONGRESS.**—Not later than 6 months after the effective date of this section, the Director of the Institute of Museum and Library Services shall submit to the appropriate committees of Congress the recommended legislation referred to under paragraph (1).

SEC. 214. SERVICE OF INDIVIDUALS SERVING ON DATE OF ENACTMENT.

Notwithstanding section 204 of the Museum and Library Services Act, the individual who was appointed to the position of Director of the Institute of Museum Services under section 205 of the Museum Services Act (as such section was in effect on the day before the date of enactment of this Act) and who is serving in such position on the day before the date of enactment of this Act shall serve as the first Director of the Institute of Museum and Library Services under section 204 of the Museum and Library Services Act (as added by section 211 of this title), and shall serve at the pleasure of the President.

SEC. 215. CONSIDERATION.

Consistent with title 5, United States Code, in appointing employees of the Office of Library Services, the Director of the Institute of Museum and Library Services shall give strong consideration to individuals with experience in administering State-based and national library and information services programs.

SEC. 216. TRANSITION AND TRANSFER OF FUNDS.

(a) **TRANSITION.**—The Director of the Office of Management and Budget shall take appropriate measures to ensure an orderly transition from the activities previously administered by the Director of Library Programs in the Office of Educational Research and Improvement in the Department of Education to the activities administered by the Institute for Museum and Library Services under this title. Such measures may include the transfer of appropriated funds.

(b) **TRANSFER.**—The Secretary of Education shall transfer to the Director the amount of funds necessary to ensure the orderly transition from activities previously administered by the

Director of the Office of Library Programs in the Office of Educational Research and Improvement in the Department of Education to the activities administered by the Institute for Museum and Library Services. In no event shall the amount of funds transferred pursuant to the preceding sentence be less than \$200,000.

TITLE III—HIGHER EDUCATION

Subtitle A—Debt Reduction

SEC. 301. UNSUBSIDIZED STUDENT LOANS.

(a) **AMENDMENT.**—Paragraph (1) of section 428H(f) of the Higher Education Act of 1965 (20 U.S.C. 1078–8(f)(1)) is amended to read as follows:

“(1) **AMOUNT OF ORIGATION FEE.**—Except as provided in paragraph (5), an origination fee shall be paid to the Secretary with respect to each loan under this section in the amount of 3.0 percent of the principal amount of the loan. Each lender under this section is authorized to charge the borrower for such origination fee, provided that the lender assesses the same fee to all student borrowers. Any such fee charged to the borrower shall be deducted proportionately from each installment payment of the proceeds of the loan prior to payment to the borrower.”

(b) **CONFORMING AMENDMENTS.**—Section 428H(f) of such Act is further amended—

(1) in paragraph (3), by striking “the origination fee” and inserting “any origination fee that is charged to the borrower”; and

(2) in paragraph (4), by striking “origination fees authorized to be collected from borrowers” and inserting “origination fees required under paragraph (1)”; and

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

“(6) **EXCEPTION.**—Notwithstanding paragraph (1), a lender may assess a lesser origination fee for a borrower demonstrating greater financial need as determined by such borrower's adjusted gross family income.”

(c) **REPORT ON COMPETITIVE ALLOCATION.**—Within 60 days after the date of enactment of this Act, the Secretary of Education shall submit to each House of the Congress a legislative proposal that would permit the Secretary to allocate the right to make subsidized and unsubsidized student loans on the basis of competitive bidding. Such proposal shall include provision to ensure that any payments received from such competitive bidding are equally allocated to deficit reduction and to pro rata reduction of origination fees in both guaranteed and direct student loans.

SEC. 302. STUDY OF LOAN FEES.

(a) **STUDY REQUIRED.**—The Secretary of Education shall conduct a statistical analysis of the subsidized and unsubsidized student loan programs under part B of title IV of the Higher Education Act of 1965 to gather data on lenders' use of loan fees and to determine if there are any anomalies that would indicate any institutional, programmatic or socioeconomic discrimination in the assessing or waiving such fees.

(b) **REPORT.**—The Secretary of Education shall submit to each House of the Congress a report on the study required by subsection (a) within 2 years after the date of enactment of this Act.

(c) **STATISTICAL CHARACTERISTICS TO BE STUDIED.**—In conducting the study required by subsection (a), the Secretary of Education shall compare recipients of loans on the basis of income, residence location, type and location of higher education, program of instruction and type of lender.

Subtitle B—Financial Responsibility Standards

SEC. 311. EXTENSION OF PUBLIC COMMENT PERIOD.

The Secretary of Education shall extend until December 1, 1996, the period for public comment on rules published in the Federal Register on September 20, 1996 (61 Fed. Reg. 49552), relating to financial responsibility standards for institutions participating in higher education programs (34 C.F.R. part 668). The Secretary shall

publish such rules in final form by February 1, 1997. Notwithstanding section 482(c) of the Higher Education Act of 1965 (20 U.S.C. 1089(c)), such rules shall, if so published by such date, be effective for award year 1997-98.

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate disagree to the amendment of the House.

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

NATIONAL INVASIVE SPECIES ACT OF 1996

Mr. LOTT. Mr. President, I ask unanimous consent that H.R. 4283 be referred to the Committee on Environment and Public Works, the bill be immediately discharged and referred to the Committee on Science, Commerce and Transportation, and the bill then be immediately discharged and the Senate proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4283) to provide for ballast water management to prevent the introduction and spread of nonindigenous species into the waters of the United States, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. PRESSLER. Mr. President, I rise to support adoption of H.R. 4283, the National Invasive Species Act of 1996.

Mr. President, this bill addresses a nationwide problem—nonindigenous species invading new habitats. This has tremendous impacts not only on native species in the aquatic environment but, in some areas, our communities as well.

This bill would control nonindigenous species by establishing a voluntary national ballast water management program, and funding for research and implementation.

Earlier this year, Senator GLENN had introduced S. 1660, a similar bill to that of the House. Under an earlier unanimous-consent agreement, S. 1660 was referred to the Committee on Environment and Public Works. Following action in that committee, the bill would have been referred to the Committee on Commerce, Science, and Transportation since the Commerce Committee shares jurisdiction on this issue. Likewise, H.R. 3217, a bill introduced by Congressman LATOURETTE was adopted by the House, sent to the Senate and referred to the Environment and Public Works Committee. This bill, if acted upon, would have also been referred to the Committee Committee.

Mr. President, while this procedure is somewhat different than our normal order for legislation, Senator ABRAHAM, a member of the Commerce Committee, has been very interested in addressing this issue. I am pleased that we are able to accommodate his desires by adopting this bill today.

The bill that the House adopted addresses a concern of the Commerce Committee on vessel safety that the shipping industry has raised. It would simply allow vessels to continue to discharge their ballast water in a harbor if during their voyage they could not exchange their ballast water on the high seas due to safety concerns. This provision and the bill itself has the support of the shipping industry, port authorities and the U.S. Coast Guard.

In closing, Mr. President, I urge my colleagues to support the adoption of H.R. 4283.

Mr. CHAFEE. Mr. President, I come to the floor today to say a few words on final passage of H.R. 4283, the National Invasive Species Act of 1996.

The threat posed by nonindigenous aquatic nuisance species was first brought to this Nation's attention in the 1980's when we witnessed the devastating effect of the zebra mussel infestation in the Great Lakes region. It was then that we learned such nuisance species are typically introduced through the ballast water exchange of vessels. Congress responded to this threat with the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990—legislation which established a program to research, prevent, and control the unintentional introduction of nonindigenous species into the Great Lakes.

Clearly, the problem of nuisance species is not limited to the Great Lakes. Invasions of nonindigenous species into marine and fresh waters of the United States can have significant economic and environmental consequences. That is why the legislation approved by the Senate today goes beyond the Great Lakes region and establishes a voluntary program for ballast water management that is national in scope.

Mr. President, I was deeply distressed to learn that non-native species have invaded the Narragansett Bay in Rhode Island. Recently, a number of invasive plant species have been discovered. Also, there is grave concern that the Japanese shore crab may have arrived. If that is the case, Rhode Island's oyster beds will be greatly disrupted.

That is why the original version of this bill, H.R. 3217, was modified at my request to include an amendment authorizing the appropriation of \$1 million for use by Rhode Island's Department of Environmental Management to address this problem. The pending bill, H.R. 4283, includes my amendment. These funds will allow the department to carry out research on the prevention, monitoring, and control of aquatic nuisance species in Narragansett Bay. It is imperative that we have a full inventory of the non-native species that have invaded the Bay. Once we have done so, we can work to manage the situation and hopefully, avoid future infestations.

Mr. President, this is a good bill and I applaud the Senate for its prompt action. It is my hope that the National Invasive Species Act of 1996 will stem

the tide of invasive species in our Nation's waterways.

Mr. ABRAHAM. Mr. President, I rise to express my support for passage of the National Invasive Species Act of 1996 [NISA]. NISA reauthorizes and amends the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990, a measure that passed with wide bipartisan support in response to concern over the potential impact of the Eurasian ruffe on the Great Lakes fishery [NANPCA]. NANPCA set forth a national program for preventing, researching, monitoring, and controlling infestations in U.S. waters of alien aquatic species. NISA continues these important measures, and includes some additional important provisions.

NISA directs the Department of Transportation to develop voluntary guidelines, recordkeeping and reporting procedures, and sampling techniques to prevent the introduction and spread of nonindigenous species into U.S. waters. Since, the primary means of prevention are measures addressing the exchange of ballast water, this legislation will develop suggested direction for ballast exchange outside the U.S. exclusive economic zone and will authorize ecological and ballast discharge surveys to be conducted in highly susceptible waters. In the effort to develop other ways to repel these unwelcome intruders, the Interior and Transportation Secretaries will undertake a demonstration of technologies and practices which may prevent the introduction and spread of such species. Finally, if the spread of the zebra mussel has demonstrated anything, it has shown us how important regional coordination is to the control of invasive animals. Therefore, this act encourages the formation of regional panels to participate in activities to control the introduction of aquatic nuisance species.

Mr. President, the impact of invasive species in the Great Lakes has been enormous. In 1950, the Great Lakes fishery nearly collapsed under its assault. Were it not for the constant efforts of the Great Lakes Fisheries Commission and the Great Lakes Environmental Research Laboratory, a similarly dire situation could occur. Michigan in particular has suffered greatly from the effects of nonindigenous plants and animals. In my State, the uncontrollable spread of the zebra mussel shut down the Monroe city water supply for 2 days in 1990 and contributed to sewage overflow in Lake St. Clair. Without steps to curb the introduction and spread of such invasive species, the Great Lakes region, and other coastal States, can expect similar incidents in the future.

The spread of the zebra mussel, the sea lamprey, and other invaders have had a proven, negative impact on Great Lakes native species. Mr. President, I was happy to join as a cosponsor of legislation to control their spread, and I hope that the Senate can pass this reasonable, voluntary approach to curbing these species today.