

it pertains to two school districts in South Dakota. Specifically, without passage of this critical bill, two South Dakota schools, Bonesteel-Fairfax and Wagner, could stand to lose together almost \$1 million. That must not be allowed to happen. Essentially, the bill before us would allow these school districts to claim eligibility under Section 8003. The Bonesteel-Fairfax and Wagner districts were in fact eligible for Impact Aid funds, but were unaware of their eligibility because of a change in the Federal statute. Unfortunately, the Department of Education could not allow these districts to amend their applications. Consequently, they were denied funds that they deserved due to the simple error of not checking the proper eligibility box. This bill would correct this situation and provide these districts the opportunity to reapply for Impact Aid funds. As always, I will fight to see that both these schools and all other federally impacted schools in South Dakota get the funding they need under the Impact Aid program. This is the fair thing to do. It was not the intention of Congress to deny schools funds due to administrative errors or technical oversights. Quite simply, this is a fairness issue.

The bill before us would not create new criteria to implement the intent of Congress. These technical corrections permit the Department of Education to administer the Impact Aid program consistent with the intent of Congress. The technical amendments provide recourse for the schools to receive funds to which they are entitled under the intent of the law.

I am pleased that we are taking action on this legislation. The schools that would benefit from this bill need and deserve the assistance. The Federal Government has placed these schools in a very difficult position, through no fault of their own. That's why impact aid must remain a top Federal responsibility.

Unfortunately, getting this bill through has not been easy, in part because the current administration does not have its priorities straight. For the fourth consecutive year, the Clinton administration's budget called for the Federal Government to lessen its commitment to impact aid. For the next year, the Clinton administration requested only \$617 million for impact aid. It recommended the elimination of payments for Federal lands. This means 23 South Dakota school districts would not have been eligible for Federal funds. That is wrong. How can President Clinton claim he is the education President when his budgets would deny the most basic needs to schools in South Dakota? Federally impacted districts and the children they serve cannot withstand further reductions in the program.

It is my understanding that the President will not sign this legislation, but allow it to become law. This is yet another indication of the administration's hostility to the Impact Aid Pro-

gram. Obtaining the appropriate level of funding is a struggle every year. There will be more battles over impact aid funding. I'm ready. I will continue to fight for our Nation's children and federally impacted school districts. This is my commitment to those schools and the families they serve.

Again, I thank the chair of the Labor and Human Resources Committee, its ranking member and their counterparts in the House for their good work to get this bill through Congress and to the President. This bill enjoys widespread, bipartisan support. With the support of my colleagues, we can fulfill our legislative responsibility to federally impacted school districts and pass this impact aid technical corrections.

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

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

The bill (H.R. 3269) was deemed read the third time and passed, as amended.

#### BANKRUPTCY TECHNICAL CORRECTIONS ACT OF 1996

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 434, S. 1559.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1559) to make technical corrections to title 11, United States Code, 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, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

*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 "Bankruptcy Technical Corrections Act of 1996".*

#### SEC. 2. DEFINITIONS.

Section 101 of title 11, United States Code, is amended—

(1) by striking "In this title—" and inserting "In this title:";

(2) in paragraph (51B)—

(A) by inserting "family farms or" after "other than"; and

(B) by striking all after "thereto" and inserting a semicolon;

(3) by reordering the paragraphs so that the terms defined in the section are in alphabetical order and redesignating the paragraphs accordingly;

(4) in paragraph (37)(B) (defining insured depository institution), as redesignated by paragraph (3) of this section, by striking "paragraphs (21B) and (33)(A)" and inserting "paragraphs (23) and (35)(A)";

(5) in each paragraph, by inserting a heading, the text of which is comprised of the term defined in the paragraph;

(6) by inserting "The term" after each paragraph heading; and

(7) by striking the semicolon at the end of each paragraph and "; and" at the end of paragraphs (35) and (38) and inserting a period.

#### SEC. 3. ADJUSTMENT OF DOLLAR AMOUNTS.

Section 104 of title 11, United States Code, is amended by inserting "522(f)(3)," after "522(d)," each place it appears.

#### SEC. 4. COMPENSATION TO OFFICERS.

Section 330(a) of title 11, United States Code, is amended—

(1) in paragraph (1), by inserting ", or the debtor's attorney" after "1103"; and

(2) in paragraph (3), by striking "(3)(A) In" and inserting "(3) In".

#### SEC. 5. EFFECT OF CONVERSION.

Section 348(f)(2) of title 11, United States Code, is amended by inserting "of the estate" after "property" the first place it appears.

#### SEC. 6. EXECUTORY CONTRACTS AND UNEXPIRED LEASES.

Section 365 of title 11, United States Code, is amended—

(1) in subsection (c)—

(A) in paragraph (2), by adding "or" at the end;

(B) in paragraph (3), by striking "or" at the end and inserting a period; and

(C) by striking paragraph (4);

(2) in subsection (d), by striking paragraphs (5) through (9); and

(3) in subsection (f)(1), by striking "; except that" and all that follows through the end of the paragraph and inserting a period.

#### SEC. 7. ALLOWANCE OF ADMINISTRATIVE EXPENSES.

Section 503(b)(4) of title 11, United States Code, is amended by inserting "subparagraph (A), (B), (C), (D), or (E) of" before "paragraph (3)".

#### SEC. 8. PRIORITIES.

Section 507(a)(7) of title 11, United States Code, is amended by inserting "unsecured" after "allowed".

#### SEC. 9. EXEMPTIONS.

Section 522 of title 11, United States Code, is amended—

(1) in each of subsections (b)(1) and (d)(10)(E), by striking "unless" and inserting "but only to the extent that";

(2) in subsection (f)(1)(A)(ii)(II), by striking "support,;" and inserting "support,;" and

(3) in subsection (g)(2), by striking "subsection (f)(2)" and inserting "subsection (f)(1)(B)".

#### SEC. 10. EXCEPTIONS TO DISCHARGE.

Section 523(a)(3) of title 11, United States Code, is amended by striking "or (6)" each place it appears and inserting "(6), or (15)";

#### SEC. 11. PROTECTION AGAINST DISCRIMINATORY TREATMENT.

Section 525(c) of title 11, United States Code, is amended—

(1) in paragraph (1), by inserting "student" before "grant" the second place it appears; and

(2) in paragraph (2), by striking "the program operated under part B, D, or E of" and inserting "any program operated under".

#### SEC. 12. PROPERTY OF THE ESTATE.

Section 541(b)(4)(B)(ii) of title 11, United States Code (as added by section 208(b) of the Bankruptcy Reform Act of 1994), is amended by inserting "365 or" before "542".

#### SEC. 13. LIMITATIONS ON AVOIDING POWERS.

Subsection (g) of section 546 of title 11, United States Code, as added by section 222(a) of the Bankruptcy Reform Act of 1994 (108 Stat. 4129), is redesignated as subsection (h).

#### SEC. 14. LIABILITY OF TRANSFeree OF AVOIDED TRANSFER.

(a) IN GENERAL.—Section 550(c) of title 11, United States Code, is amended—

(1) in paragraph (1), by striking "avoided under section 547(b)" and inserting "avoidable under section 547"; and

(2) in the matter following paragraph (2), by striking "recover under subsection (a) from a transferee that is not an insider" and inserting "avoid under section 547 such transfer, to the extent that such transfer was made for the benefit of a transferee that was not an insider at the time of such transfer, or recover under subsection (a) from a transferee that was not an insider at the time of such transfer".

(b) CONFORMING AMENDMENT.—Section 547(b) of title 11, United States Code, is amended by inserting "or in section 550(c) of this title" after "subsection (c) of this section".

#### SEC. 15. SETOFF.

Section 553(b)(1) is amended by striking "362(b)(14)" and inserting "362(b)(17)".

#### SEC. 16. DISPOSITION OF PROPERTY OF THE ESTATE.

Section 726(b) is amended by striking "1009,".

#### SEC. 17. GENERAL PROVISIONS.

Section 901(a) of title 11, United States Code, is amended by inserting "1123(d)," after "1123(b),".

#### SEC. 18. PAYMENTS.

Section 1226(b)(2) is amended—

(1) by striking "1202(c) of this title" and inserting "586(b) of title 28"; and

(2) by striking "1202(d) of this title" and inserting "586(e)(1)(B) of title 28".

#### SEC. 19. DISCHARGE.

Section 1228 of title 11, United States Code, is amended by striking "1222(b)(10)" each place it appears and inserting "1222(b)(9)".

#### SEC. 20. CONTENTS OF PLAN.

Section 1322 of title 11, United States Code, is amended—

(1) in subsection (b), by striking "(c)" and inserting "(d)"; and

(2) in subsection (e), by striking the comma after "default" the second place it appears.

#### SEC. 21. DISCHARGE.

Section 1328(a) of title 11, United States Code, is amended by striking all after "except any debt—" and inserting the following:

"(1) provided for under section 1322(b)(5) of this title;

"(2) of the kind specified in paragraph (5), (8), or (9) of section 523(a) of this title; or

"(3) for restitution, or a criminal fine, included in a sentence on the debtor's conviction of a crime."

#### SEC. 22. BANKRUPTCY REVIEW COMMISSION.

Section 604 of the Bankruptcy Reform Act of 1994 (108 Stat. 4147) is amended—

(1) by striking subsection (g); and

(2) by redesignating subsection (h) as subsection (g).

#### SEC. 23. APPOINTMENT OF TRUSTEE.

Section 1104(b) of title 11, United States Code, is amended—

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

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

"(2)(A) If an eligible, disinterested trustee is elected at a meeting of creditors under paragraph (1), the United States trustee shall file a report certifying that election. Upon the filing of a report under the preceding sentence—

"(i) the trustee elected under paragraph (1) shall be considered to have been selected and appointed for purposes of this section; and

"(ii) the service of any trustee appointed under subsection (d) shall terminate.

"(B) In the case of any dispute arising out of an election under subparagraph (A), the court shall resolve the dispute."

#### SEC. 24. EXTENSIONS.

Section 302(d)(3) of the Bankruptcy, Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (28 U.S.C. 581 note) is amended—

(1) in subparagraph (A), in the matter following clause (ii), by striking "October 1, 2002" and inserting "October 1, 2012"; and

(2) in subparagraph (F)—

(A) in clause (i)—

(i) in subclause (II), by striking "October 1, 2002" and inserting "October 1, 2012"; and

(ii) in the matter following subclause (II), by striking "October 1, 2003" and inserting "October 1, 2013"; and

(B) in clause (ii), in the matter following subclause (II), by striking "October 1, 2003" and inserting "October 1, 2013".

#### SEC. 25. KNOWING DISREGARD OF BANKRUPTCY LAW OR RULE.

Section 156(a) of title 18, United States Code, is amended by striking "case under this title" and inserting "case under title 11".

#### SEC. 26. BANKRUPTCY CASES AND PROCEEDINGS.

Section 1334(d) of title 28, United States Code, is amended—

(1) by striking "made under this subsection" and inserting "made under subsection (c)"; and

(2) by striking "This subsection" and inserting "Subsection (c)".

#### SEC. 27. EFFECTIVE DATE OF AMENDMENTS.

(a) IN GENERAL.—Except as provided in subsection (b) of this section, the amendments made by this Act shall apply to all cases pending on the date of enactment of this Act or commenced on or after the date of enactment of this Act.

(b) EXCEPTION.—The amendment made by section 2(2)(B) of this Act shall apply to all cases commenced on or after the date of enactment of this Act.

AMENDMENTS NOS. 5151, 5152, 5153, AND 5154, EN BLOC

Mr. STEVENS. Mr. President, there are four amendments at the desk offered by Senators HEFLIN, GRASSLEY, KOHL, and COVERDELL. I ask that the amendments be considered en bloc.

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

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes amendments numbered 5151, 5152, 5153, and 5154, en bloc.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 5151

(Purpose: To make technical changes)

On page 9 of the Committee amendment, strike lines 11 through 17 and insert the following:

(1) in subsection (f)(1)(A)—

(A) in the matter preceding clause (i), by striking "or" at the end; and

(B) in clause (ii), by striking the period at the end and inserting "or"; and

(2) in subsection (g)(2), by striking "subsection (f)(2)" and inserting "subsection (f)(1)(B)".

AMENDMENT NO. 5152

(Purpose: To bolster criminal law enforcement of child support orders in cases involving bankruptcy proceedings)

At the appropriate place in the Committee amendment, insert the following new section:

#### SEC. . ENFORCEMENT OF CHILD SUPPORT.

Section 362(b)(1) of title 11, United States Code, is amended by inserting before the semicolon the following: "(including the criminal enforcement of a judicial order requiring the payment of child support)".

AMENDMENT NO. 5153

At the appropriate place, insert the following new section:

#### SEC. . LIMITATION.

Section 522 of title 11, United States Code, as amended by section 9, is further amended—

(1) in subsection (b)(2)(A), by inserting "subject to subsection (n)," before "any property"; and

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

"(n) As a result of electing under subsection (b)(2)(A) to exempt property under State or local law, a debtor may not exempt an aggregate interest of more than \$500,000 in value in—

"(1) real or personal property that the debtor or a dependent of the debtor uses as a residence;

"(2) a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence; or

"(3) a burial plot for the debtor or a dependent of the debtor."

AMENDMENT NO. 5154

(Purpose: To amend Title 11 of the United States Code)

#### SECTION 1.

"Section 27", on page 15, line 3, is redesignated "Section 28".

#### SEC. 2.

On page 15, line 3 insert the following:

#### "SEC. 27. STANDING TRUSTEES.

(a) Section 330 of Title 11 of the United States Code is amended by adding to the end thereof the following:

"(e) Upon the request of a trustee appointed under Section 586(b) of Title 28, and after all available administrative remedies have been exhausted, the district court in the district in which the trustee resides shall have the exclusive authority, notwithstanding Section 326(b) of this title, to review the determination of the actual, necessary expenses of the standing trustee. In reviewing the determination, the district court shall accord substantial deference to the determination made by the Attorney General, and may reverse the determination only if the Attorney General has abused his or her discretion."

(b) Section 324 of Title 11, United States Code, is amended by adding to the end thereof the following:

"(c)(1) Notwithstanding any provision of Section 586 of Title 28, in the event the United States Trustee ceases assigning cases to a trustee appointed under Section 586(b) of Title 28, the trustee, after exhausting all available administrative remedies, may seek judicial review of the decision in the district court in the district in which the trustee resides. The district court shall accord substantial deference to the determination made by the United States Trustee, and may reverse the determination only if the United States Trustee has abused his or her discretion."

"(2) Notwithstanding any other provision of law, the district court may order interim relief under this paragraph only if the court concludes, viewing all facts most favorably to the United States Trustee, that there was no basis for the United States Trustee's decision to cease assigning cases to the trustee. The denial of a request for interim relief shall be final and shall not be subject to further review."

Mr. STEVENS. Mr. President, I ask unanimous consent that the amendments be considered agreed to, en bloc.

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

The amendments (Nos. 5151, 5152, 5153, and 5154) were agreed to, en bloc.

Mr. STEVENS. Mr. President, I ask unanimous consent that the committee

substitute be agreed to, the bill be deemed read the third time and passed, as amended, the motion to reconsider be laid upon the table, and any statements relating to the bill appear at the appropriate place in the RECORD.

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

The bill (S. 1559), as amended, was deemed read the third time and passed.

(The text of the bill will be printed in a future edition of the RECORD.)

#### REAUTHORIZATION OF THE INDIAN ENVIRONMENTAL GENERAL ASSISTANCE PROGRAM ACT

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 544, S. 1834.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1834) to reauthorize the Indian Environmental General Assistance Program Act of 1992, 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. STEVENS. Mr. President, I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and any statements relating to the bill appear at the appropriate place in the RECORD.

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

The bill (S. 1834) was deemed read the third time and passed, as follows:

S. 1834

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

#### SECTION 1. REAUTHORIZATION.

Section 502(h) of the Indian Environmental General Assistance Program Act of 1992 (42 U.S.C. 4368b(h)) is amended by striking "\$15,000,000" and inserting "such sums as may be necessary".

#### FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT ACT OF 1996

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 548, S. 1130.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1130) to provide for the establishment of uniform accounting systems, standards and reporting systems in the Federal Government, 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, which had been reported from the Committee on Governmental Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Financial Management Improvement Act of 1996".

#### SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds the following:

(1) Much effort has been devoted to strengthening Federal internal accounting controls in the past. Although progress has been made in recent years, Federal accounting standards have not been uniformly implemented in financial management systems for agencies.

(2) Federal financial management continues to be seriously deficient, and Federal financial management and fiscal practices have failed to—

(A) identify costs fully;  
(B) reflect the total liabilities of congressional actions; and  
(C) accurately report the financial condition of the Federal Government.

(3) Current Federal accounting practices do not accurately report financial results of the Federal Government or the full costs of programs and activities. The continued use of these practices undermines the Government's ability to provide credible and reliable financial data and encourages already widespread Government waste, and will not assist in achieving a balanced budget.

(4) Waste and inefficiency in the Federal Government undermine the confidence of the American people in the Government and reduce the Federal Government's ability to address vital public needs adequately.

(5) To rebuild the accountability and credibility of the Federal Government, and restore public confidence in the Federal Government, agencies must incorporate accounting standards and reporting objectives established for the Federal Government into their financial management systems so that all the assets and liabilities, revenues, and expenditures or expenses, and the full costs of programs and activities of the Federal Government can be consistently and accurately recorded, monitored, and uniformly reported throughout the Federal Government.

(6) Since its establishment in October 1990, the Federal Accounting Standards Advisory Board (hereinafter referred to as the "FASAB") has made substantial progress toward developing and recommending a comprehensive set of accounting concepts and standards for the Federal Government. When the accounting concepts and standards developed by FASAB are incorporated into Federal financial management systems, agencies will be able to provide cost and financial information that will assist the Congress and financial managers to evaluate the cost and performance of Federal programs and activities, and will therefore provide important information that has been lacking, but is needed for improved decisionmaking by financial managers and the Congress.

(7) The development of financial management systems with the capacity to support these standards and concepts will, over the long term, improve Federal financial management.

(b) PURPOSES.—The purposes of this Act are to—

(1) provide for consistency of accounting by an agency from one fiscal year to the next, and uniform accounting standards throughout the Federal Government;

(2) require Federal financial management systems to support full disclosure of Federal financial data, including the full costs of Federal programs and activities, to the citizens, the Congress, the President, and agency management, so that programs and activities can be considered based on their full costs and merits;

(3) increase the accountability and credibility of Federal financial management;

(4) improve performance, productivity and efficiency of Federal Government financial management;

(5) establish financial management systems to support controlling the cost of Federal Government;

(6) build upon and complement the Chief Financial Officers Act of 1990 (Public Law 101-576; 104 Stat. 2838), the Government Performance and Results Act of 1993 (Public Law 103-62; 107 Stat. 285), and the Government Management Reform Act of 1994 (Public Law 103-356; 108 Stat. 3410); and

(7) increase the capability of agencies to monitor execution of the budget by more readily permitting reports that compare spending of resources to results of activities.

#### SEC. 3. IMPLEMENTATION OF FEDERAL FINANCIAL MANAGEMENT IMPROVEMENTS.

(a) IN GENERAL.—Each agency shall implement and maintain financial management systems that comply with Federal financial management systems requirements, applicable Federal accounting standards, and the United States Government Standard General Ledger at the transaction level.

(b) PRIORITY.—Each agency shall give priority in funding and provide sufficient resources to implement this Act.

#### (c) AUDIT COMPLIANCE FINDING.—

(1) IN GENERAL.—Each audit required by section 3521(e) of title 31, United States Code, shall report whether the agency financial management systems comply with the requirements of subsection (a).

(2) CONTENT OF REPORTS.—When the person performing the audit required by section 3521(e) of title 31, United States Code, reports that the agency financial management systems do not comply with the requirements of subsection (a), the person performing the audit shall include in the report on the audit—

(A) the name and position of any officer or employee responsible for the financial management systems that have been found not to comply with the requirements of subsection (a);

(B) all facts pertaining to the failure to comply with the requirements of subsection (a), including—

(i) the nature and extent of the noncompliance;

(ii) the primary reason or cause of the noncompliance;

(iii) any official responsible for the noncompliance; and

(iv) any relevant comments from any responsible officer or employee; and

(C) a statement with respect to the recommended remedial actions and the timeframes to implement such actions.

#### (d) COMPLIANCE DETERMINATION.—

(1) IN GENERAL.—No later than the date described under paragraph (2), the Director, acting through the Controller of the Office of Federal Financial Management, shall determine whether the financial management systems of an agency comply with the requirements of subsection (a). Such determination shall be based on—

(A) a review of the report on the applicable agency-wide audited financial statement;

(B) the agency comments on such report; and

(C) any other information the Director considers relevant and appropriate.

(2) DATE OF DETERMINATION.—The determination under paragraph (1) shall be made no later than 90 days after the earlier of—

(A) the date of the receipt of an agency-wide audited financial statement; or

(B) the last day of the fiscal year following the year covered by such statement.

#### (e) COMPLIANCE IMPLEMENTATION.—

(1) IN GENERAL.—If the Director determines that the financial management systems of an agency do not comply with the requirements of subsection (a), the head of the agency, in consultation with the Director, shall establish a remediation plan that shall include the resources, remedies, and intermediate target dates necessary to bring the agency's financial management systems into compliance.

(2) TIME PERIOD FOR COMPLIANCE.—A remediation plan shall bring the agency's financial management systems into compliance no later