

of enhanced-use leases that the VA may execute in any year, and caps at 20 the total number of such projects under this authority. In lifting these limitations, H.R. 1092 should help spark an expansion of an important partnership concept.

Mr. Speaker, I urge all of the Members to support H.R. 1092.

Mr. EVANS. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. FILNER].

Mr. FILNER. Mr. Speaker, I thank the gentleman for yielding time to me, and the chairman of the full committee, the gentleman from Arizona [Mr. STUMP] for his leadership, and the chairman of the subcommittee, the gentleman from Florida [Mr. STEARNS] for helping bring this to the floor.

Mr. Speaker, I, too, support H.R. 1092. As we have heard from the chairman, it will expand the ability of the Veterans Administration to enter into what is called enhanced-use leases. These leases, with both private and public entities, require that underused VA property be improved to contribute to the VA mission. The leases that have been established in the past under this authority have, without any exception, helped the VA to better serve our Nation's veterans.

So not only are we leasing for revenue, but we are improving the ability of the VA to serve our veterans in the future. I am looking forward to an expansion of this important and very successful program.

As the ranking member, the gentleman from Illinois [Mr. EVANS] said, H.R. 1092 would rename the Court of Veterans Appeals as the U.S. Court of Appeals for Veterans Claims.

The committee has been told by veterans and attorneys representing them that the court, an independent judicial body, is frequently confused with the Board of Veterans Appeals, which is an administrative arm of the VA. We expect this name change to eliminate the widespread confusion. This renaming would also be consistent with recent changes in the names of other courts.

Last, Mr. Speaker, the National Cemetery System would be redesignated as the National Cemetery Administration under this legislation. The cemetery system would thus have the same organizational status within the VA as the other VA major components responsible for delivering benefits; that is, the Veterans Benefit Administration and the Veterans Health Administration.

The bill would also redesignate the director of the National Cemetery System as the assistant secretary for memorial affairs, thus assuring that this position has the status which reflects its responsibilities.

There is a provision also in H.R. 1092 that would protect our veterans by putting into law the increase in veterans compensation benefits that took effect December 1, 1996. H.R. 1092 is supported by the entire Committee on Veterans

Affairs, under the leadership of the gentleman from Arizona [Mr. STUMP], as well as the major veterans service organizations. I, too, urge my colleagues to approve this measure.

Mr. BISHOP. Mr. Speaker, I rise today in support of H.R. 1092, a bill to extend the VA's authority to enter into enhanced use leases; rename the U.S. Court of Veterans' Appeals the U.S. Court of Appeals for Veterans Claims; and codify the fiscal year 1997 VA compensation rates to reflect cost-of-living adjustments effective December 1, 1996. Additionally, I support H.R. 1090, a bill to allow veterans to appeal certain claims which may have been erroneously denied by the VA. Both of these bills will assist us with our efforts to provide a suitable quality of life for our Nation's veterans. I want to commend Chairman STUMP, Congressman EVANS, and the Veterans Committee for continued leadership and hard work on these measures and others affecting the veterans community.

America owes its freedom and prosperity to its veterans. So many of them put their lives on the line so that the guiding principles we hold so dear remain protected. Just as they fought on the front lines protecting the security of our great Nation, we must be on the front lines fighting for their well-being and security.

The two veterans bills on the floor today will assist us in this endeavor. H.R. 1092 will extend the authority of the Secretary of Veterans Affairs to enter into enhanced use leases for underutilized VA property. The public-private partnerships created as a result of these leases has proven to be worthwhile. Enhanced use leasing authority has led to the development of a number of beneficial projects: child care centers, parking facilities, and VA office space. These projects and others currently in the development stage greatly contribute to the strength of the VA and its mission. Also, additional revenue received from these leases is used for critical medical care services and nursing homes.

I also support provisions of the bill renaming the U.S. Court of Veterans Appeals. Because of its name, many veterans and attorneys have been highly confused about the jurisdiction and authority of this body. The name change established by the bill will prove beneficial by clarifying that this is an independent judicial body and not an administrative tribunal within the Department of Veterans Affairs.

Additionally, the bill codifies fiscal year 1997 VA compensation rates to reflect cost-of-living adjustments effective December 1, 1996. This is important so that we can protect veterans compensation by locking in rates established by the adjustment.

Again, I want to commend the committee for passing H.R. 1090. This bill would make an important change by allowing veterans to appeal decisions by the Board of Veterans Appeals for clear and unmistakable errors. The veterans' community has been pointing out for some time that the restrictions against appealing VA decisions for clear and unmistakable error are grossly unfair. This bill is very important because it gives veterans an adequate recourse when there has been grave error by the VA. More importantly, it ensures that if the VA makes an error, veterans will not be denied compensation benefits.

H.R. 1092 and H.R. 1090 are tools to be used in the tireless fight on behalf of the veterans community. Again, I express my support

and thank the Veterans Committee for its work. I urge my colleagues to support these bills.

Mr. QUINN. Mr. Speaker, H.R. 1092 eliminates the current cap on enhanced use leases for the VA. These leases are models of how Federal agencies may enter into agreements with developers and other entities to get the most out of VA-owned real property. These leases allow developers to build on VA property to provide space to both the VA and private concerns. The result is a lower cost VA infrastructure for the taxpayers and quality commercial space for local businesses.

The bill also changes the name of the National Cemetery System to the National Cemetery Administration and the title of the Director to the Assistant Secretary for Memorial Affairs to more accurately describe the scope of the position's responsibilities.

Additionally, the bill changes the name of the Court of Veterans Appeals to the U.S. Court of Appeals for Veterans Claims.

Finally, the bill codifies the increased rates of veterans service-connected compensation resulting from the cost-of-living allowance effective last December.

Mr. Speaker, I urge my colleagues to support H.R. 1092.

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

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr. STUMP] that the House suspend the rules and pass the bill, H.R. 1092.

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

A motion to reconsider was laid on the table.

TRAVEL AND TRANSPORTATION REFORM ACT OF 1997

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 930) to require Federal employees to use Federal travel charge cards for all payments of expenses of official Government travel, to amend title 31, United States Code, to establish requirements for prepayment audits of Federal agency transportation expenses, to authorize reimbursement of Federal agency employees for taxes incurred on travel or transportation reimbursements, and to authorize test programs for the payment of Federal employee travel expenses and relocation expenses, as amended.

The Clerk read the bill, as follows:

H.R. 930

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 "Travel and Transportation Reform Act of 1997".

SEC. 2. REQUIREMENT OF THE TRAVEL CHARGE CARD.

(a) IN GENERAL.—Under regulations issued by the Administrator of General Services

after consultation with the Secretary of the Treasury, the Administrator shall require that Federal employees use the travel charge card established pursuant to the United States Travel and Transportation Payment and Expense Control System, or any Federal contractor-issued travel charge card, for all payments of expenses of official Government travel. The Administrator shall exempt any payment, person, type or class of payments, or type or class of personnel from any requirement established under the preceding sentence in any case in which—

(1) it is in the best interest of the United States to do so;

(2) payment through a travel charge card is impractical or imposes unreasonable burdens or costs on Federal employees or Federal agencies; or

(3) the Secretary of Defense or the Secretary of Transportation (with respect to the Coast Guard) requests an exemption with respect to the members of the uniformed services.

(b) LIMITATION ON RESTRICTION ON DISCLOSURE.—

(1) IN GENERAL.—Section 1113 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3413) is amended by adding at the end the following new subsection:

“(q) Nothing in this title shall apply to the disclosure of any financial record or information to a Government authority in conjunction with a Federal contractor-issued travel charge card issued for official Government travel.”.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) is effective as of October 1, 1983, and applies to any records created pursuant to the United States Travel and Transportation Payment and Expense Control System or any Federal contractor-issued travel charge card issued for official Government travel.

(c) COLLECTION OF AMOUNTS OWED.—

(1) IN GENERAL.—Under regulations issued by the Administrator of General Services and upon written request of a Federal contractor, the head of any Federal agency or a disbursing official of the United States may, on behalf of the contractor, collect by deduction from the amount of pay owed to an employee of the agency any amount of money the employee owes to the contractor as a result of delinquencies not disputed by the employee on a travel charge card issued for payment of expenses incurred in connection with official Government travel. The amount deducted from the pay owed to an employee with respect to a pay period may not exceed 15 percent of the disposable pay of the employee for that pay period, except that a greater percentage may be deducted upon the written consent of the employee.

(2) DUE PROCESS PROTECTIONS.—Collection under this subsection shall be carried out in accordance with procedures substantially equivalent to the procedures required under section 3716(a) of title 31, United States Code.

(3) DEFINITIONS.—For the purpose of this subsection:

(A) AGENCY.—The term “agency” has the meaning that term has under section 101 of title 31, United States Code.

(B) EMPLOYEE.—The term “employee” means an individual employed in or under an agency, including a member of any of the uniformed services. For purposes of this subsection, a member of one of the uniformed services is an employee of that uniformed service.

(C) MEMBER; UNIFORMED SERVICE.—Each of the terms “member” and “uniformed service” has the meaning that term has in section 101 of title 37, United States Code.

(d) REGULATIONS.—Within 270 days after the date of enactment of this Act, the Ad-

ministrator of General Services shall promulgate regulations implementing this section, that—

(1) make the use of the travel charge card established pursuant to the United States Travel and Transportation System and Expense Control System, or any Federal contractor-issued travel charge card, mandatory for all payments of expenses of official Government travel pursuant to this section;

(2) specify the procedures for effecting under subsection (c) a deduction from pay owed to an employee, and ensure that the due process protections provided to employees under such procedures are no less than the protections provided to employees pursuant to section 3716 of title 31, United States Code;

(3) provide that any deduction under subsection (c) from pay owed to an employee may occur only after reimbursement of the employee for the expenses of Government travel with respect to which the deduction is made; and

(4) require agencies to promptly reimburse employees for expenses charged on a travel charge card pursuant to this section, and by no later than 30 days after the submission of a claim for reimbursement.

(e) REPORTS.—

(1) IN GENERAL.—The Administrator of General Services shall submit 2 reports to the Congress on agency compliance with this section and regulations that have been issued under this section.

(2) TIMING.—The first report under this subsection shall be submitted before the end of the 180-day period beginning on the date of enactment of this Act, and the second report shall be submitted after that period and before the end of the 540-day period beginning on that date of enactment.

(3) PREPARATION.—Each report shall be based on a sampling survey of agencies that expended more than \$5,000,000 during the previous fiscal year on travel and transportation payments, including payments for employee relocation. The head of an agency shall provide to the Administrator the necessary information in a format prescribed by the Administrator and approved by the Director of the Office of Management and Budget.

SEC. 3. PREPAYMENT AUDITS OF TRANSPORTATION EXPENSES.

(a) IN GENERAL.—(1) Section 3322 of title 31, United States Code, is amended in subsection (c) by inserting after “classifications” the following: “if the Administrator of General Services has determined that verification by a prepayment audit conducted pursuant to section 3726(a) of this title for a particular mode or modes of transportation, or for an agency or subagency, will not adequately protect the interests of the Government”.

(2) Section 3528 of title 31, United States Code, is amended—

(A) in subsection (a) by striking “and” after the semicolon at the end of paragraph (3), by striking the period at the end of subsection (a)(4)(C) and inserting “; and”, and by adding at the end the following new paragraph:

“(5) verifying transportation rates, freight classifications, and other information provided on a Government bill of lading or transportation request, unless the Administrator of General Services has determined that verification by a prepayment audit conducted pursuant to section 3726(a) of this title for a particular mode or modes of transportation, or for an agency or subagency, will not adequately protect the interests of the Government.”;

(B) in subsection (c)(1), by inserting after “deductions” the following: “and the Administrator of General Services has determined that verification by a prepayment audit con-

ducted pursuant to section 3726(a) of this title for a particular mode or modes of transportation, or for an agency or subagency, will not adequately protect the interests of the Government”;

(C) in subsection (c)(2), by inserting after “agreement” the following: “and the Administrator of General Services has determined that verification by a prepayment audit conducted pursuant to section 3726(a) of this title for a particular mode or modes of transportation, or for an agency or subagency, will not adequately protect the interests of the Government”.

(3) Section 3726 of title 31, United States Code, is amended—

(A) by amending subsection (a) to read as follows:

“(a)(1) Each agency that receives a bill from a carrier or freight forwarder for transporting an individual or property for the United States Government shall verify its correctness (to include transportation rates, freight classifications, or proper combinations thereof), using prepayment audit, prior to payment in accordance with the requirements of this section and regulations prescribed by the Administrator of General Services.

“(2) The Administrator of General Services may exempt bills, a particular mode or modes of transportation, or an agency or subagency from a prepayment audit and verification and in lieu thereof require a postpayment audit, based on cost effectiveness, public interest, or other factors the Administrator considers appropriate.

“(3) Expenses for prepayment audits shall be funded by the agency’s appropriations used for the transportation services.

“(4) The audit authority provided to agencies by this section is subject to oversight by the Administrator.”;

(B) by redesignating subsections (b), (c), (d), (e), (f), and (g) in order as subsections (d), (e), (f), (g), (h), and (i), respectively;

(C) by inserting after subsection (a) the following new subsections:

“(b) The Administrator may conduct pre- or postpayment audits of transportation bills of any Federal agency. The number and types of bills audited shall be based on the Administrator’s judgment.

“(c)(1) The Administrator shall adjudicate transportation claims which cannot be resolved by the agency procuring the transportation services, or the carrier or freight-forwarder presenting the bill.

“(2) A claim under this section shall be allowed only if it is received by the Administrator not later than 3 years (excluding time of war) after the later of the following dates:

“(A) The date of accrual of the claim.

“(B) The date payment for the transportation is made.

“(C) The date a refund for an overpayment for the transportation is made.

“(D) The date a deduction under subsection (d) of this section is made.”;

(D) in subsection (f), as so redesignated, by striking “subsection (c)” and inserting “subsection (e)”, and by adding at the end the following new sentence: “This reporting requirement expires December 31, 1998.”;

(E) in subsection (i)(1), as so redesignated, by striking “subsection (a)” and inserting “subsection (c)”;

(F) by adding after subsection (i), as so redesignated, the following new subsection:

“(j) The Administrator of General Services may provide transportation audit and related technical assistance services, on a reimbursable basis, to any other agency. Such reimbursements may be credited to the appropriate revolving fund or appropriation from which the expenses were incurred.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall become effective

18 months after the date of enactment of this Act.

SEC. 4. REIMBURSEMENT FOR TAXES ON MONEY RECEIVED FOR TRAVEL EXPENSES.

(a) IN GENERAL.—Title 5, United States Code, is amended by inserting after section 5706b the following new section:

"§5706c. Reimbursement for taxes incurred on money received for travel expenses

"(a) Under regulations prescribed pursuant to section 5707 of this title, the head of an agency or department, or his or her designee, may use appropriations or other funds available to the agency for administrative expenses, for the reimbursement of Federal, State, and local income taxes incurred by an employee of the agency or by an employee and such employee's spouse (if filing jointly), for any travel or transportation reimbursement made to an employee for which reimbursement or an allowance is provided.

"(b) Reimbursements under this section shall include an amount equal to all income taxes for which the employee and spouse, as the case may be, would be liable due to the reimbursement for the taxes referred to in subsection (a). In addition, reimbursements under this section shall include penalties and interest, for the tax years 1993 and 1994 only, as a result of agencies failing to withhold the appropriate amounts for tax liabilities of employees affected by the change in the deductibility of travel expenses made by Public Law 102-486."

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 57 of title 5, United States Code, is amended by inserting after the item relating to section 5706b the following new item:

"5706c. Reimbursement for taxes incurred on money received for travel expenses."

(c) EFFECTIVE DATE.—This section shall be effective as of January 1, 1993.

SEC. 5. AUTHORITY FOR TEST PROGRAMS.

(a) TRAVEL EXPENSES TEST PROGRAMS.—Subchapter I of chapter 57 of title 5, United States Code, is amended by adding at the end the following new section:

"§5710. Authority for travel expenses test programs

"(a)(1) Notwithstanding any other provision of this subchapter, under a test program which the Administrator of General Services determines to be in the interest of the Government and approves, an agency may pay through the proper disbursing official for a period not to exceed 24 months any necessary travel expenses in lieu of any payment otherwise authorized or required under this subchapter. An agency shall include in any request to the Administrator for approval of such a test program an analysis of the expected costs and benefits and a set of criteria for evaluating the effectiveness of the program.

"(2) Any test program conducted under this section shall be designed to enhance cost savings or other efficiencies that accrue to the Government.

"(3) Nothing in this section is intended to limit the authority of any agency to conduct test programs.

"(b) The Administrator shall transmit a copy of any test program approved by the Administrator under this section to the appropriate committees of the Congress at least 30 days before the effective date of the program.

"(c) An agency authorized to conduct a test program under subsection (a) shall provide to the Administrator and the appropriate committees of the Congress a report on the results of the program no later than 3 months after completion of the program.

"(d) No more than 10 test programs under this section may be conducted simultaneously.

"(e) The authority to conduct test programs under this section shall expire 7 years after the date of enactment of the Travel and Transportation Reform Act of 1997."

(b) RELOCATION EXPENSES TEST PROGRAMS.—Subchapter II of chapter 57 of title 5, United States Code, is further amended by adding at the end the following new section:

"§5739. Authority for relocation expenses test programs

"(a)(1) Notwithstanding any other provision of this subchapter, under a test program which the Administrator of General Services determines to be in the interest of the Government and approves, an agency may pay through the proper disbursing official for a period not to exceed 24 months any necessary relocation expenses in lieu of any payment otherwise authorized or required under this subchapter. An agency shall include in any request to the Administrator for approval of such a test program an analysis of the expected costs and benefits and a set of criteria for evaluating the effectiveness of the program.

"(2) Any test program conducted under this section shall be designed to enhance cost savings or other efficiencies that accrue to the Government.

"(3) Nothing in this section is intended to limit the authority of any agency to conduct test programs.

"(b) The Administrator shall transmit a copy of any test program approved by the Administrator under this section to the appropriate committees of the Congress at least 30 days before the effective date of the program.

"(c) An agency authorized to conduct a test program under subsection (a) shall provide to the Administrator and the appropriate committees of the Congress a report on the results of the program no later than 3 months after completion of the program.

"(d) No more than 10 test programs under this section may be conducted simultaneously.

"(e) The authority to conduct test programs under this section shall expire 7 years after the date of enactment of the Travel and Transportation Reform Act of 1997."

(c) CLERICAL AMENDMENTS.—The table of sections for chapter 57 of title 5, United States Code, is further amended by—

(1) inserting after the item relating to section 5709 the following new item:

"5710. Authority for travel expenses test programs."

and

(2) inserting after the item relating to section 5738 the following new item:

"5739. Authority for relocation expenses test programs."

SEC. 6. DEFINITION OF UNITED STATES.

Chapter 57 of title 5, United States Code, is amended—

(1) in section 5721—

(A) in paragraph (4), by striking "and" following the semicolon at the end;

(B) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following new paragraphs:

"(6) 'United States' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the territories and possessions of the United States, and the areas and installations in the Republic of Panama that are made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements (as described in section 3(a) of the Panama Canal Act of 1979); and

"(7) 'Foreign Service of the United States' means the Foreign Service as constituted under the Foreign Service Act of 1980."

(2) in section 5722—

(A) in subsection (a)(2), by striking "outside the United States" and inserting "outside the continental United States"; and

(B) in subsection (b), by striking "United States" each place it appears and inserting "Government";

(3) in section 5723(b), by striking "United States" each place it appears and inserting "Government";

(4) in section 5724—

(A) in subsection (a)(3), by striking "its territories or possessions" and all that follows through "1979"; and

(B) in subsection (i), by striking "United States" each place it appears in the last sentence and inserting "Government";

(5) in section 5724a, by striking subsection (j);

(6) in section 5725(a), by striking "United States" and inserting "Government";

(7) in section 5727(d), by striking "United States" and inserting "continental United States";

(8) in section 5728(b), by striking "an employee of the United States" and inserting "an employee of the Government";

(9) in section 5729, by striking "or its territories or possessions" each place it appears;

(10) in section 5731(b), by striking "United States" and inserting "Government"; and

(11) in section 5732, by striking "United States" and inserting "Government".

SEC. 7. TECHNICAL CORRECTIONS TO THE FEDERAL EMPLOYEE TRAVEL REFORM ACT OF 1996.

Section 5724a of title 5, United States Code, is amended—

(1) in subsections (a) and (d)(1) and (2), by striking "An agency shall pay" each place it appears and inserting "Under regulations prescribed under section 5738, an agency shall pay";

(2) in subsections (b)(1), (c)(1), (d)(8), and (e), by striking "An agency may pay" each place it appears and inserting "Under regulations prescribed under section 5738, an agency may pay";

(3) by amending subsection (b)(1)(B)(ii) to read as follows:

"(ii) an amount for subsistence expenses, that may not exceed a maximum amount determined by the Administrator of General Services."

(4) in subsection (c)(1)(B), by striking "an amount for subsistence expenses" and inserting "an amount for subsistence expenses, that may not exceed a maximum amount determined by the Administrator of General Services,";

(5) in subsection (d)(2)(A), by striking "for the sale" and inserting "of the sale";

(6) in subsection (d)(2)(B), by striking "for the purchase" and inserting "of the purchase";

(7) in subsection (d)(8), by striking "paragraph (2) or (3)" and inserting "paragraph (1) or (2)";

(8) in subsection (f)(1), by striking "Subject to paragraph (2)," and inserting "Under regulations prescribed under section 5738 and subject to paragraph (2)."; and

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. HORN] and the gentleman from New York [Mrs. MALONEY] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. HORN].

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

Mr. Speaker, the Federal Government's travel expenditures are massive. In fiscal year 1994, the last year for which precise figures are available, the Government spent more than \$7.6

billion on travel, including transportation, lodging, rental cars, and other related expenses.

There were ample opportunities to save money from this huge sum without restricting important travel. Administrative costs, for example, are shockingly bloated. The cost of completing a travel voucher is about \$15 in the private sector, while it can run as high as \$123 for each voucher in the Federal Government.

There are several obstacles standing in the way of efficient and affordable Government travel. Agency managers simply do not have complete travel information available to them because of inconsistent payment methods. As a result, it is impossible to effectively analyze their travel budgets in order to locate waste and reduce costs.

Related agencies are often unable to verify that travel charges are business related. They need clear authority to obtain information regarding the credit cards issued to employees for official Government travel. This information will make the Federal Government a better customer, which will in turn increase the size of the rebate the Government receives from businesses that provide services to Federal workers. Private firms currently receive larger rebates from businesses than does the Government.

We should learn from private sector techniques. The Travel and Transportation Act of 1997 contains four major provisions that will clear away obstacles to better management.

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By applying lessons from the private sector, it will encourage a concerted effort to improve the efficiency and the cost effectiveness of Federal travel. Section 1 of H.R. 930 specifies its short title, the Travel and Transportation Reform Act of 1997.

Section 2 concerns the Federal travel charge card. H.R. 930 contains several changes to charge card policy that would save money and make the system work better. Use of the charge card provides managers with valuable information about their agency's travel costs. Currently, however, the card is used inconsistently and, therefore, valuable information that would be recorded on the charge card invoice is never gathered.

As a result, agency managers lack the kind of detailed travel information necessary to effectively analyze their travel budgets, locate waste, and reduce costs. Congress realizes that not every merchant can accept charge cards, but the travel charge card should be used to the maximum extent possible. In addition, there may be some employees, Mr. Speaker, who may not be eligible for the travel charge card due to their poor credit histories or for some other reason. Obviously, the employee may be required to travel for official Government purposes, and an exemption may be required for these personnel.

Universal use of the card would improve information available to managers, increase the rebate due to the Federal Government, and expedite the processing of travel reimbursements. H.R. 930 provides for universal use of the travel card throughout the Government by requiring the Administrator of General Services [GSA] to mandate use of the travel charge card. There are some exceptions that are permitted by the administrator. The intent behind this legislation is that use of the card will be used to the maximum extent practicable by Federal travelers.

The definition of a travel charge card also includes a centrally billed account maintained by the agency. Agencies must be able to verify that charges on the travel card are business related. The Government's ability to access this information has been in question because of the Right to Financial Privacy Act, which restricts the release of an individual's financial records, including accounts maintained by the credit card issuer.

This bill clarifies that the Government has the authority it needs to gather this information to ensure that the card is used properly. It also authorizes the head of a agency to conduct salary offset for Federal employees delinquent on their Federal travel charge accounts. This provision would make the Federal Government a better customer, as I noted earlier, and simplify administration for Federal agencies. The result would be an increase in the size of the Federal Government's rebate.

H.R. 930 also includes an offset program to allow Federal agencies with travel charge card delinquency problems to deduct from the pay of an employee amounts needed to satisfy a delinquent debt owed to a card vendor. It is the intent of Congress that this deduction be made in coordination with the disbursing official in the U.S. Government. If the Treasury Department's financial management service cannot coordinate with agencies, Federal contractors may be paid prior to payments being made to Federal agencies. It is the intent of Congress that, when there is a conflict between a debt owed to a Federal contractor and a debt owed to a Federal agency, the Federal agency will be paid first.

H.R. 930 also requires that GSA write regulations implementing this act. One portion of these regulations calls for timely disbursement of travel repayments due to employees. GSA will be responsible for determining what constitutes submission of travel expense vouchers in its regulatory process. Our committee, on both sides of the aisle, looks forward to working with GSA to ensure that the intent of Congress is reflected. In implementing this section and the remaining portions of the act, it is of utmost importance that GSA do so in a manner that will not impair competition among different vendors in the travel card program and will not unfairly affect Federal workers.

Specifically, the inclusion of interest, fines, penalties or fees charged by bank charge card issuers should not be prohibited, eliminated or complicated by GSA regulations promulgated under this section. We in Congress believe that any such action limiting competition ultimately will not be in the best interest of the United States.

Section 3 of the Travel and Transportation Reform Act of 1997 concerns prepayment audits of travel charges. GSA's office of transportation audits conducted a pilot program that used audit contractors to perform prepayment audits on some transportation vouchers. This pilot identified overpayments worth four times the amount of the payments to the contractors, proving that this is a cost-effective tool. All other invoices submitted to the Federal Government are reviewed for accuracy by the agency incurring the expense prior to payment. The bill authorizes prepayment audits by contractors to verify that the charges are correct prior to disbursement of transportation expenses. According to the General Services Administration, this change would save \$50 million per year in reduced transportation expenses.

Section 4 corrects an unjust tax liability. This will be of great interest to a number of Federal employees. The bill authorizes reimbursement to employees who were subjected to a tax liability in tax years 1993 and 1994, due to their service with the Federal Government. This tax liability was established by the 1992 Energy Act. The Energy Act limited the income tax deduction for business related travel to expenses incurred on trips of 1 year or less in duration. Most Federal agencies were unaware of this requirement because the IRS did not notify them until late December, 4 days to go before the new year in December 1993. And they did not withhold tax payments from the employees' salaries.

Many of the affected Federal employees were liable for a lump sum payment, plus penalty and interest charges. In some instances, the tax liability exceeds \$1,000 per employee. According to GSA, this correction would cost \$4 million on a one-time basis.

Section 5 encourages innovation in Federal travel. The sections of the U.S. Code relating to travel are extremely proscriptive and limit agency flexibility in developing improved benefit systems. This section allows Federal agencies to participate in travel pilot tests that would, it is hoped, save taxpayer dollars.

Saving taxpayer dollars and enhancing Federal travel operations is the goal of this section. Agencies wishing to initiate pilot projects would need approval from the General Services Administration and would be required to submit proposals to the appropriate committees of Congress 30 days before the initiation of the pilot. This authority is limited to 10 pilot programs in each of the temporary duty travel and relocation travel areas.

Mr. Speaker, the Congressional Budget Office estimates that the Travel and Transportation Reform Act of 1997 will save \$105 million. I believe the actual amount will be higher, as GSA suggests, particularly if implementation is performed diligently. Poor management of the Federal Government's massive travel expenditures is wasting millions of tax dollars every year. The Travel and Transportation Reform Act of 1997 will improve Federal agency operations and enhance efficiency. I look forward to the passage of H.R. 930.

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

Mrs. MALONEY of New York. Mr. Speaker, I yield myself such time as I may consume.

My thanks to the chairman for working with the minority in drafting the manager's amendment to this bill. The Government spends over \$7.5 billion annually on travel and relocation costs. I rise in support of this bill and in support of streamlining Government paperwork and saving the taxpayers millions in Government travel expenses.

It is so simple. H.R. 930 just calls for the use of one travel card, one bill to pay, one bill to check. If every Government employee simply used this card for all travel related expenses, taxpayers would gain \$105 million. The card comes with a 30-day money-back guarantee. Employees must be reimbursed within a month of their payment. H.R. 930 does allow the agency to deduct certain unpaid travel charges from paychecks, unless the employee is disputing the charges.

Even those deductions will not exceed 15 percent of the traveler's wages. H.R. 930 also calls for a review of shipping and other transportation expenses before they are paid. That seems extremely reasonable.

Do not we all look at our bills before we pay them? This measure alone will save \$50 million a year. Simplicity saves. Complications cost. I urge my colleagues to support this bill.

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

Mr. Speaker, I want to commend the gentlewoman from New York [Mrs. MALONEY], the ranking Democrat on the subcommittee, for her complete cooperation in this further economy which the subcommittee has made over the last 2½ years.

I think we saved \$2 to \$3 billion in legislation last year. And, as was noted, GSA says we will save \$50 million this year. The Congressional Budget Office says we will save \$150 million over the next 5 years.

In any case, it is real money and it is money the taxpayers do not have to expend by more efficiency and effectiveness.

Mrs. MALONEY of New York. Mr. Speaker, today, the House will pass H.R. 930, the Travel and Transportation Reform Act of 1997 under suspension of the rules. I would like to discuss a provision of that bill which was not raised today concerning the pilot programs on travel which agencies may conduct under the bill.

Mr. Speaker, one of the pilot programs which I would like to see conducted involves not only sound management practices, but family values as well. Last year, H.R. 3637, the Travel Reform and Savings Act, contained a provision which would have given discretionary authority to an agency to pay employment assistance services to a spouse of an employee relocated to another duty station by the agency. That provision was not specifically included in H.R. 930. However, there is authority under section 4 of that bill to test this worthy provision, subject to certain congressional oversight procedures. GSA's general counsel's office concurs with this reading of the legislation, and Chairman HORN indicated a positive reaction to this suggestion at a subcommittee hearing held on the bill.

Authorizing employment services on behalf of a spouse of a relocated employee is one of the recommendations of an indepth report by the interagency Joint Financial Management Improvement project. As that report points out, private sector companies have already discovered that to recruit and retain the best work force and ensure that relocated employees are fully productive, some form of employment assistance for relocating spouses represents money well spent. I am persuaded that what makes sense for the private sector makes sense in most cases for the Government. We need to determine if that is the case here.

As I said, section 4 of H.R. 930 authorizes GSA to approve test programs in connection with payment of employee relocation. I believe that such a test program may well show that such assistance is in the best interest of the Government. And I believe it would be cost effective in terms of improved employee performance and reliability. We need to find out. In that regard, it is important to note that Congress will have an opportunity to preview proposed test programs and to review a report of their results. We can then make a fully informed decision about the extent to which these services are in the Government's interest.

In conclusion, Mr. Speaker, I believe we need to test this proposal and urge GSA to favorably consider such a pilot program.

Mrs. MALONEY of New York. Mr. Speaker, I yield back the balance of my time.

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

The SPEAKER pro tempore (Mr. UPTON). The question is on the motion offered by the gentleman from California [Mr. HORN] to suspend the rules and pass the bill, H.R. 930, as amended.

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

A motion to reconsider was laid on the table.

DONATING RETIRING FEDERAL LAW ENFORCEMENT CANINES TO HANDLERS

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 173) to amend the Federal Property and Administrative Services Act of 1949 to authorize donation of surplus Federal law enforcement canines to their handlers, as amended.

The Clerk read as follows:

H.R. 173

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

SECTION 1. AUTHORIZATION TO DONATE SURPLUS LAW ENFORCEMENT CANINES TO THEIR HANDLERS.

Section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) is amended by adding at the end of the following:

“(r) The head of a Federal agency having control of a canine that has been used by a Federal agency in the performance of law enforcement duties and that has been determined by the agency to be no longer needed for official purposes may donate the canine to an individual who has experience handling canines in the performance of those duties.”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. HORN] and the gentlewoman from New York [Mrs. MALONEY] will each control 20 minutes.

The Chair recognizes the gentleman from California [Mr. HORN].

Mr. HORN. Mr. Speaker, this measure concerns Federal surplus property in the form of dogs. Typically, these dogs are trained in law enforcement and drug interdiction. The bulk of the 500 dogs currently serving the Federal Government are used by the Customs Service, the Immigration and Naturalization Service, and other law enforcement agencies.

Under current law, when an agency no longer needs a dog, it is screened to see if another Federal agency needs that dog. If no Federal use is required, the dog can be donated to a State or local law enforcement agency.

Mrs. MALONEY of New York. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, the minority has no objection to this bill. We support it.

Mr. Speaker, I yield back my time.

Mr. HORN. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. GALLEGLY], the author of this innovative piece of legislation, (Mr. GALLEGLY asked and was given permission to revise and extend his remarks.)

Mr. GALLEGLY. Mr. Speaker, I rise today in support of H.R. 173, legislation I introduced to address the unique situation encountered when Federal law enforcement canines are no longer able to perform the duties for which they were trained.

Essentially, this bill streamlines the adoption of Federal law enforcement canines by handlers and allows for a more humane end to the canine's career. As my colleagues know, these trained dogs are considered Federal property, but when their service comes to an end, they are declared surplus property.

Under GSA regulations to dispose of Federal property, agencies must follow certain procedures that ensure the maximum amount competition for the purchase of such property.

In many cases, such as the Border Patrol, Park Police, Customs, and Secret Service, this surplus property is a