look forward to working with them next year to build on this year's success.

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

The SPEAKER pro tempore. Without objection, the previous question is ordered on the conference report.

There was no objection.

The question is on the conference report.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 401, nays 21, not voting 11, as follows:

[Roll No. 510]

YEAS—401

Abercrombie	Cunningham	Hastings (WA)
Ackerman	Danner	Hayworth
Aderholt	Davis (FL)	Hefley
Allen	Davis (IL)	Hefner
Andrews	Davis (VA)	Herger
Archer	Deal	Hill
Armey	DeFazio	Hilleary
Bachus	DeGette	Hinchey
Baesler	Delahunt	Hinojosa
Baker	DeLauro	Hobson
Baldacci	DeLay	Holden
Ballenger	Dellums	Hooley
Barcia	Deutsch	Horn
Barr	Diaz-Balart	Houghton
Barrett (NE)	Dickey	Hoyer
Barrett (WI)	Dicks	Hulshof
Bartlett	Dixon	Hunter
Barton	Doggett	Hutchinson
Bass	Dooley	Hyde
Bateman	Doolittle	Inglis
Becerra	Doyle	Istook
Bentsen	Dreier	Jackson (IL)
Bereuter	Duncan	Jackson-Lee (TX)
Berman	Dunn	Jefferson
Berry	Edwards	Jenkins
Bilbray	Ehrlich	John
Bilirakis	Emerson	Johnson (CT)
Bishop	Engel	Johnson (WI)
Blagojevich	English	Johnson, Sam
Bliley	Ensign	Jones
Blumenauer	Eshoo	Kanjorski
Blunt	Etheridge	Kaptur
Boehlert	Evans	Kasich
Boehner	Everett	Kelly
Bonilla	Ewing	Kennedy (MA)
Bono	Farr	Kennelly
Borski	Fattah	Kildee
Boswell	Fawell	Kim
Boucher	Fazio	Kind (WI)
Boyd	Filner	King (NY)
Brady	Flake	Kingston
Brown (CA)	Foglietta	Kleczka
Brown (OH)	Foley	Klink
Bryant	Forbes	Klug
Bunning	Ford	Knollenberg
Burr	Fowler	Kolbe
Burton	Fox	Kucinich
Buyer	Frank (MA)	LaFalce
Callahan	Franks (NJ)	LaHood
Calvert	Frelinghuysen	Lampson
Canady	Furse	Lantos
Cannon	Gallegly	Latham
Capps	Ganske	LaTourette
Cardin	Gejdenson	Lazio
Carson	Gekas	Leach
Castle	Gephardt	Lewis (CA)
Chabot	Gibbons	Lewis (GA)
Chenoweth	Gilchrest	Linder
Christensen	Gillmor	Lipinski
Clay	Gilman	Livingston
Clayton	Goode	LoBiondo
Clement	Goodlatte	Lofgren
Clyburn	Goodling	Lowey
Coble	Gordon	Lucas
Collins	Goss	Luther
Combest	Graham	Maloney (CT)
Condit	Green	Maloney (NY)
Cook	Greenwood	Manton
Cooksey	Gutierrez	Manzullo
Costello	Gutknecht	Markey
Cox	Hall (OH)	Martinez
Coyne	Hall (TX)	Mascara
Cramer	Hamilton	Matsui
Crane	Hansen	McCarthy (MO)
Crapo	Harman	McCarthy (NY)
Cubin	Hastert	McCollum
Cummings	Hastings (FL)	McCrery
McDade	Pombo	Smith, Adam
McDermott	Pomeroy	Smith, Linda
McGovern	Porter	Snowbarger
McHale	Portman	Snyder
McHugh	Poshard	Solomon
McInnis	Price (NC)	Souder
McIntosh	Pryce (OH)	Spence
McIntyre	Quinn	Spratt
McKeon	Radanovich	Stark
McKinney	Rahall	Stearns
McNulty	Ramstad	Stenholm
Meehan	Rangel	Stokes
Meek	Redmond	Strickland
Menendez	Regula	Stump
Metcalf	Reyes	Sununu
Mica	Riggs	Talent
Millender-McDonald	Riley	Tanner
	Rivers	Tauscher
Miller (CA)	Rodriguez	Tauzin
Miller (FL)	Roemer	Taylor (MS)
Minge	Rogan	Taylor (NC)
Mink	Rogers	Thomas
Moakley	Rohrabacher	Thompson
Mollohan	Ros-Lehtinen	Thornberry
Moran (KS)	Rothman	Thune
Moran (VA)	Roukema	Thurman
Morella	Roybal-Allard	Tiahrt
Myrick	Royce	Tierney
Nadler	Rush	Torres
Neal	Ryun	Towns
Nethercutt	Sabo	Traficant
Neumann	Salmon	Turner
Ney	Sanchez	Velazquez
Northup	Sanders	Vento
Norwood	Sandlin	Visclosky
Nussle	Sawyer	Walsh
Oberstar	Saxton	Wamp
Obey	Schaefer, Dan	Waters
Olver	Schaffer, Bob	Watkins
Ortiz	Schumer	Watt (NC)
Owens	Scott	Watts (OK)
Oxley	Sensenbrenner	Weldon (FL)
Packard	Serrano	Weldon (PA)
Pallone	Sessions	Weller
Pappas	Shadegg	Weygand
Parker	Shaw	White
Pascrell	Shays	Whitfield
Pastor	Sherman	Wicker
Paxon	Shimkus	Wise
Payne	Shuster	Wolf
Pease	Sisisky	Woolsey
Pelosi	Skaggs	Wynn
Peterson (MN)	Skeen	Yates
Peterson (PA)	Skelton	Young (AK)
Petri	Slaughter	Young (FL)
Pickering	Smith (NJ)	
Pickett	Smith (OR)	
	Smith (TX)	

NAYS—21

Camp	Granger	Sanford
Campbell	Hoekstra	Scarborough
Coburn	Hostettler	Smith (MI)
Conyers	Johnson, E. B.	Stabenow
Dingell	Kilpatrick	Stupak
Ehlers	Levin	Upton
Frost	Paul	Wexler

NOT VOTING—11

Bonior	Hilliard	Murtha
Brown (FL)	Kennedy (RI)	Schiff
Chambliss	Largent	Waxman
Gonzalez	Lewis (KY)	

□ 1250

Messrs. CAMP, SMITH of Michigan, and LEVIN changed their vote from ''yea'' to ''nay.''

Mr. GUTIERREZ changed his vote from ''nay'' to ''yea.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATIONS, MEDICAL LIABILITY REFORM, AND EDUCATION REFORM ACT OF 1998

The SPEAKER. Pursuant to House Resolution 264 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2607.

□ 1252

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2607) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1998, and for other purposes, with Mr. CAMP in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from North Carolina [Mr. TAYLOR] and the gentleman from Virginia [Mr. MORAN] each will control 30 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. TAYLOR].

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

(Mr. TAYLOR of North Carolina asked and was given permission to revise and extend his remarks.)

Mr. TAYLOR of North Carolina. Mr. Chairman, I apologize for my speech at the moment, but considering where it was 6 or 8 weeks ago, it is much better and I appreciate the comments from my fellow colleagues about my health.

I want to also thank the members of my subcommittee, the gentleman from Wisconsin [Mr. NEUMANN], the gentleman from California [Mr. CUNNINGHAM], the gentleman from Kansas [Mr. TIAHRT], the gentlewoman from Kentucky [Mrs. NORTHUP], the gentleman from Alabama [Mr. ADERHOLT], the gentleman from Virginia [Mr. MORAN], the gentleman from Minnesota [Mr. SABO], and the gentleman from California [Mr. DIXON] for all their hard work on this bill.

The gentleman from Virginia [Mr. MORAN], the ranking member and I have disagreed on many parts of the bill, but he has always been very supportive in his efforts, with polite debate and working with us in those areas where we could agree.

It is often a thankless job, but a necessary one, for we frequently hear about the residents of the District, but we have a responsibility to the 260 million Americans to whom this city is very special.

H.R. 2607, the District of Columbia appropriations bill, fully funds the District of Columbia at $4.8 billion. It pays down $200 million of the District's short-term debt and provides $100 million additional if savings are provided. It provides $269 million for needed capital improvements, school and street repairs. It reforms medical malpractice. It provides scholarship choice for Washington, DC students.

With the enactment of the Balanced Budget Act early this summer, the

Congress relieved the District of some $700 million in spending responsibilities and provided the District with some $235 million in net savings. Now, this was not saved by the District, but it was able to be used toward reducing the District's debt. Our bill uses these savings to pay down debt and to fix the crumbling schools and streets which have been disregarded in many cases in the Nation's Capital.

The bill provides that additional management savings the District promised in its fiscal year 1999 budget be moved to fiscal year 1998, with any savings realized devoted to further deficit reduction.

Finally, District revenues over estimates will be placed in a D.C. taxpayer's relief fund. That fund will perhaps provide somewhere between $75 million and $100 million in much needed taxpayer relief.

With over 100,000 taxpayers having left the District in the past few years, our bill tries to reach the twin goals of making the city government more effective and keeping in place a tax base. It really does not matter how efficient we make D.C., because if we continue driving taxpayers out of the District then all we may be doing is just processing welfare payments.

Our bill also includes groundbreaking provisions to provide educational scholarships for the District's children and places noneconomic damage limits on medical malpractice awards up to $250,000, and permits the schools to waive Davis-Bacon so that needed school repairs can get done in a timely, cost effective manner.

The House passed education scholarships as part of the fiscal year 1996 bill, and the medical malpractice reform in this bill is based on the House passed medical malpractice provisions of this year's budget bill.

Our bill also removed the tax exemption for the National Education Association and devotes their property tax payment to charter schools.

Our bill also funds the University of the District of Columbia Law School. However, if it does not receive full and unconditional accreditation, the funds appropriated will be used for those students currently enrolled to gain an education elsewhere.

We provide District of Columbia police officers and fire fighters with a needed pay raise based on merit—and performance, for officers on the street, not behind a desk. And we make sure that school teachers have valid credentials before they can receive a raise.

And, finally, our bill contains a number of important provisions to strengthen the independence of the D.C. inspector general and the chief financial officer, and to provide the D.C. Control Board with congressional direction and priorities.

Our manager's amendment, drafted with the full support of the gentleman from Virginia [Mr. MORAN], my ranking minority member, and incorporated into the rule just passed, resolves several thorny issues, including making sure that the control board selects an independent vendor qualified by the Office of Management and Budget to update the District's current financial management system.

Our bill also recognizes the policing activity made by the U.S. Park Police by providing, for the first time, funds to reimburse the Park Police for their major contributions to public safety.

Regarding Federal funds, the bill provides a total $827 million, including: $180 million in Federal contribution to the District, $169 million to corrections for operations, $302 million to corrections for facilities, $123 million for courts, $23 million for pre-trial services, $5.4 million for police merit raise, $2.6 million for firefighters payraise, $12.5 million for Park Police, $7 million for Parental Choice Educational Scholarships, $1 million for District Educational Learning Technology Advancement Council [DELTA Council], and $2 million for the DC Inspector General.

The windfall of $235,000,000 realized from the Revitalization Act is allocated as follows: $200 million in deficit reduction, $30 million in PAYGo street and school repairs, and $5 million in management performance fund.

In the bill we establish a D.C. taxpayer relief fund and require that any District revenue in excess of estimates be deposited into the fund. It is estimated that perhaps $75 will be deposited. Tax cuts will be enacted by the District City Council based on the recommendations of the D.C. Tax Revision Commission and the Business Regulatory Reform Commission. The bill also moves up to $100 million in fiscal year 1999 management savings initiatives to fiscal year 1998, savings realized devoted to deficit reduction.

In addition the bill includes several other provisions.

Law School: Fully funds UDC School of Law contingent upon receive full and unconditional accreditation. If accreditation is not received by February 28, 1998, school closes and remaining funds re for D.C. resident student scholarships at area law schools.

Davis-Bacon waiver, Permits D.C. public schools to waive Davis-Bacon requirements for school construction and repairs, saving the District up to 20 percent. Similar waiver have been granted for natural disaster like Hurricane Hugo, the D.C. school situation is a man made disaster but a disaster nevertheless.

Pennsylvania Avenue reopening: At the recommendation of a District City Council Member, the bill re-opens that section of Pennsylvania Avenue in front of the White House to traffic. The closure has disrupted the flow of traffic and impeded citizen access to the White House.

Welfare Cap: Places District Council enacted welfare caps—holding payments to the higher of surrounding jurisdictions—into that portion of the D.C. Code which is unamendable by the District Council. This provision ensures that the District will not again become a welfare payment magnet.

Medical Malpractice Reform: District physicians continue to pay medical malpractice premiums as much as two times greater than in neighboring States, reducing the number of physicians willing to practice in the city and limiting access to health care. The bill's $250,000 cap on noneconomic damages, and joint and several liability reform could reduce such premium by 20 percent. Five of the District's thirteen hospitals operated at a loss last year, and the cash strapped city government paid $15 million in tort recoveries last year.

The District of Columbia is the only jurisdiction in the country with no limits on malpractice awards.

Repeal of National Education Association Tax Exemption: The bill eliminate the property tax exemption for the National Education Association. Currently, some 34 organizations are congressionally chartered and exempt from paying District of Columbia property taxes. Only one, the National Education is a labor union. The NEA has announced that it agrees, it principal to pay it's one million, one hundred thousand dollar tax bill.

There are many changes in this legislation that are very much needed, and many of the provisions are not in the Senate bill.

□ 1300

The Senate bill does not restrict pay raises to those teachers who have valid teaching credentials. The House bill does. The House bill also on a bipartisan basis strengthens the independence of the District's inspector general and chief financial officer so they can carry out their duties without interference. The Senate does not.

The House bill also tightens up the use of detailees and requires the user office to pay for the detailees. This is very much needed based on recent reports showing certain city offices with more employees than they admit to. The Senate bill does not address this issue.

The House bill also caps the outrageous tort awards which are driving medical providers out of the District and making medical care more difficult and more expensive to get. The Senate bill does not.

The House bill also cuts the size of the Mayor's security in half, from 30 members to 15, and puts those highly trained police officers on the street to go after criminals. The Senate bill allows the mayor to keep the largest security detail in the Nation.

The House bill gives the city important tools to improve its finances by allowing for the recovery of fees and costs for bad checks and by clarifying the city's authority over unclaimed property. These are tools that are essential if the city is to improve its finances. The Senate bill is silent on those issues.

The Senate bill does not provide the District with the authority to make direct deposits for all payments. The House bill does. The House bill makes sure that the congressionally created Control Board is audited and that the funds it earns as interest are appropriated by this body. The Senate bill does not.

The House bill caps the District's welfare payments at the higher of the surrounding jurisdictions. The Senate bill permits the District to raise welfare payments to as high as 50 percent above the surrounding jurisdictions, once more making Washington the welfare capital of America.

The House bill includes language restoring fairness in the application of the local property tax among labor organizations in the District. This provision will generate an additional $1.3 million in local tax revenues. The Senate bill does not address this issue at all.

Those are just a few of the differences between the House and the Senate bills. The work that we provide in this bill is certainly commendable. We urge Members' support for this legislation.

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

Mr. MORAN of Virginia. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to begin by taking this opportunity to express my appreciation for the gentleman from North Carolina [Mr. TAYLOR] and the work that he has put into this appropriations bill.

He and I do disagree on many of the provisions in this bill and, in fact, on many of the issues considered by this Congress. We come from different parts of the country and very different congressional districts. We have very different ideologies, philosophies, and influences that govern our decisions. Despite all of this and despite our disagreements, the gentleman from North Carolina [Mr. TAYLOR] and his staff have been honest, forthright, and fair throughout consideration of this bill.

I am also deeply impressed with the way that the gentleman from North Carolina [Mr. TAYLOR] has been able to bounce back from his stroke last summer. Such an ailment would challenge any of us as we try to continue to resume a normal life. Through it all, he has not only worked to resume his responsibilities as a Member of the House but has also carried forth his responsibilities as chairman of the District of Columbia Appropriations Subcommittee.

I say to the gentleman from North Carolina [Mr. TAYLOR], he has remained a gentleman from the day he took over as chairman of this subcommittee, and I appreciate the opportunity to have worked with him.

Mr. Chairman, the District of Columbia Appropriations Act is never an easy bill to pass. The Congress has the responsibility to ensure that Federal funds appropriated to the District of Columbia are spent wisely. We have the responsibility to ensure that congressionally created entities operate properly. We have the statutory responsibility to approve the local expenditure of locally raised revenues.

Yet, some Members are willing to abdicate that responsibility and vote against the District of Columbia Appropriations Act unless, they can interject national and ideological issues into this debate. The District of Columbia Appropriations Act is the smallest appropriations bill, yet it becomes a magnet for controversial and extraneous riders.

Congress has never been able to resist the opportunity to play city council for a day and impose its will on this city. In fact, when I first ran for Congress in 1990, my opponent boasted of how he attached a rider to the D.C. bill that prohibited the University of the District of Columbia from spending money to buy a controversial painting. My colleagues may remember that issue. He probably does. That was 6 years ago.

Every Member, well, not every Member, but a number of Members attempt to advance their own political careers at the expense of the District of Columbia.

Since then, I have seen amendment after amendment being offered to the D.C. appropriations bill that addressed national or ideologic concerns. Prohibitions on the use of funds for abortion, prohibitions on the use of funds to allow individuals to include domestic partners in their health insurance policies have been perennial amendments.

In fact, they have become so common that the District of Columbia's city council is unwilling to fight them anymore and already included these riders in their own budget submission. So all those issues that have been given that they have accepted them, they are already in the D.C. Council's budget.

Recently, there have been amendments on vouchers, on charter schools, on Davis-Bacon. In the Senate, there have been amendments changing the Senate procedures on the use of holds. Now, what does that have to do with the District of Columbia changing an arcane procedure within the District's own rules? That is not even relevant to the House, never mind the Nation or the District of Columbia. But it was an amendment that was attempted to be attached to this bill.

The House bill is more of the same. The actual appropriations language in the bill ends on page 27. The next 102 pages is dedicated to general provisions. Think of that. The appropriations process is concluded after 27 pages, and then we have got 102 pages trying to do what is properly under the purview of the authorizing committee and does not belong in an appropriations bill.

Some of the provisions are good. I would like to see some of these things enacted. Some of them are clearly wrong. Almost all of them go beyond the city's request, and they interject ancillary issues into this debate.

Now, in defense of the gentleman from North Carolina [Mr. TAYLOR], I have to say that the bill we are dealing with today is much better than the bill that was considered by the subcommittee. Of course, that is faint praise, since the gentleman from North Carolina [Mr. TAYLOR] put those provisions in the subcommittee. But we have been able to work closely together and we have struck those provisions that cut the local budget by $300 million. It would have reduced the city employment by more than 2,000 positions and imposed a residency requirement on city employees.

Those issues were struck. Those are not part of this bill, and that is very fortunate. But the manager's amendment that we will offer today still is necessary, because that further does improve this bill, stakes out more things that we both now agree ought not to be in the bill. It strikes a number of provisions that have unintended consequences, things that we never intended to do, that would have adverse consequences on the District or are simply not appropriate for inclusion in the bill.

But there remains, Mr. Chairman, much more to be done. And that is why I will be offering a substitute amendment that will not only remove the remaining problems in this bill but will also ensure that we can actually pass the bill and have it enacted into law before the continuing resolution expires.

We owe that to this country, to the responsibility we assume as national representatives in this Congress, and we certainly owe it to the District of Columbia residents to give the District of Columbia its spending bill, not to force them into a continuing resolution situation where the Control Board cannot even issue any long-term contracts it is going to cost them much more money to operate. It is not right to force them into a continuing resolution situation.

The only way to avoid that is to agree to the amendment that brings us back to the Senate version. We have 3 more working days before the existing congressional continuing resolution expires. Let us pass my substitute amendment and get this bill signed into law during those 3 days.

After that has passed, we will have plenty of time to debate school vouchers, Davis-Bacon, medical malpractice, welfare caps, prohibiting helicopter flights, restricting the use of automobiles under 26 miles per gallon, new financial management system contracts, charter school leases, cutting school administrators, closing Pennsylvania Avenue, repealing the NEA's tax exemption, restricting the ability to fire the chief financial officer and the Inspector General, and every other ancillary provision that have been added to this appropriations bill.

Nobody wants me to repeat that long, long list again. But it makes a point. Those are all issues that do not belong in this bill. I support many of these provisions, though. I mean, I would like to see them done. Get them done by the authorizing committee.

I would also support, though, the District's Control Board. We set it up. It is doing a good job. The District's authorizing committee knew what they were doing. They have a responsibility. Let them fulfill their responsibility. Let local governments, this is a basic fundamental Republican premise, let local governments plan their own affairs. Let them raise their own revenue, and let them spend their own money. Let them best determine how to serve their citizens. It is their responsibility under our democratic form of government. Let them fulfill their responsibility. Let us fulfill our responsibility.

Support my amendment that will let us go back to the Senate version, which is the consensus budget. Get the bill enacted. Do the right thing.

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

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, of course taking the suggestion of the gentleman from Virginia [Mr. MORAN], we could just abolish the House and just let the Senate make our determinations and we could all go home. But many of us think we have additional ideas that we would like to put forth.

There is some hypocrisy, Mr. Chairman, about the items that we have inserted here. First of all, the Constitution lays at the steps of the Congress, the management of the District of Columbia. It is our full responsibility. And we can certainly work with the city council and the administration, but we bear the responsibility for legislation for the Nations Capital.

Second, many times it serves the minority's interests well when they do not go with the city, and sometimes they want to go with the city. For instance, the administration, without any consultation with Congress, without any consultation with the city council, closed a section of Pennsylvania Avenue, at great inconvenience to the people of this city.

Now, without getting into the debate, I have put language in our bill to reopen, that closed section because we have no evidence that that was closed with good reason.

☐ 1315

We think that the city council, which has asked us to insert the reopening provision is acting within their powers and that they should be consulted since this being a city street rather than just the administration making the decision.

Also, Congress enacted a few years ago on a bill that moved the city's residency requirement for its 30,000 employees to live within the city. The District wanted to keep that residency requirement. It was the Congress that removed that, as it was pandering to the unions, and that has worked a severe hardship upon the city.

Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I think the diligence of the chairman, the gentleman from North Carolina [Mr. TAYLOR], is extraordinary, especially in the case of his medical problem, and he has fought back, and I want to thank the chairman.

I would also like to thank the ranking minority member, the gentleman from Virginia [Mr. MORAN]. As he knows, I just gave Mary a box of candy from California and there is another one where that comes from, I would say to the gentleman, to sweeten him up.

I would also like to thank the gentleman from Louisiana [Mr. LIVINGSTON], the chairman of the full committee. I have never voted for a D.C. bill in the 6 years I have been here, because it has been general practice to just have business as normal. The gentleman from Louisiana [Mr. LIVINGSTON] says, ''Well, Duke, you complain about it. If you think it is broke, fix it.'' So I get my pittance on the D.C. appropriations bill, but I want to tell my colleagues something that is rewarding: The gentleman from California [Mr. DIXON] has been wonderful, and I even thank the gentleman from Wisconsin [Mr. OBEY] for his mellowing in his later years.

Mr. Chairman, I have spoken to Members, and I realize that on the political side of this, it is difficult. It is difficult in some cases for our Republican Members to go against the special interests of the unions. I understand it is difficult for Members on the other side at the same time, and I have talked to them about it. The actual issues, they wish they could support, but they cannot.

Mr. Chairman, when we talk about campaign finance reform, we talk about the essence of it is taking out special interests so that we can actually help. I would also like to thank the gentlewoman that represents the District [Ms. NORTON]. Although we may disagree on issues, she was there, she participated with her city. She had hearings, she was present, she is not on the subcommittee, but yet she took the time to show up and do that.

I think it is just a shame, though, that in the case of special interests that we cannot pass legislation, or we may have difficulty passing legislation that will actually help the city, will help children, will help parents, and I think that the gentleman from North Carolina [Mr. TAYLOR], the chairman of the subcommittee, has done a good job.

But what have we tried to do? I want to assure my friends on the other side, although we may talk about ideology, and there may be some portions in this, I want to tell my colleagues that my motives are pure. I want to get the most amount of dollars down to a school system to where the school, the average is 86 years old, and they have to replace school roofs. A lot of the schools, the fire department has had to take over because they are dangerous. And if we can get the maximum amount of dollars into those schools, and it has been proven time and time again in many, many States by waiving Davis-Bacon for school construction that we save a lot of dollars, and that is the intent. This is an emergency situation. It is not ideological to me. To look at charter schools, in which many cases the unions blasted charter schools, but I think the sweeping, overwhelming good that they do and allowing the District of Columbia to go into those, I think it is a benefit.

There is an union group that is exempt from taxes. It will get $1.3 million a year into the school system. That is good. It gets more money to upgrade the computers, because when we have schools that age, I guarantee my colleagues that the technology and the science equipment, the math, and we have large amounts of students that do not even finish and graduate from those schools, we have to do something to help that and to get the most amount of dollars to do that.

We recognize the Jime Escolonti type of teachers by increasing the funding for those teachers that are credentialed. There are many, and I have met them because I live in the District of Columbia, and there are many good teachers in Washington, DC, but yet they are plagued by teachers that are not, like in many of our innermost cities, and we want to recognize those that do a good job and reward them for that.

But I think most of all that there is an area in which parents feel like they are hopeless. Children do not have a chance, and I would like to read this. It is from Dr. King. He said,

> In this spirit, House Majority Leader Dick Armey of Texas and Representative Floyd Flake, a Democrat from New York, and several other Congressmen have proposed the District of Columbia Student Opportunity Scholarship Act.

Low-income, low-income parents that feel denied will have a chance, for the first time, to offer their children a chance at a good education.

Mr. MORAN of Virginia. Mr. Chairman, I yield 4½ minutes to the gentleman from Wisconsin [Mr. OBEY], the ranking Democrat on the full Committee on Appropriations.

Mr. OBEY. Mr. Chairman, my first assignment in this House was the District of Columbia appropriations subcommittee after I went on the Committee on Appropriations, and I have seen the Congress for many years treat the District of Columbia almost as its private plantation.

The very first fight I ever had in this House was when the Congress tried to hold up money for construction of the D.C. subway until they could reach agreement that the District of Columbia would proceed to build more highways and another bridge into Georgetown. I thought that kind of leverage

was improper then, and I think it is improper now.

We have a problem when Congress tries to impose its own judgment on how the city ought to run. We are providing governance without representation, because when we make decisions that affect the lives of people in the District of Columbia, they have no remedy if we make the wrong decision because they cannot vote us out of office. That is why it is essential for the Congress to exercise restraint in its oversight of the District of Columbia.

Now, I have seen a lot of efforts through the years to have this Congress micromanage the District. This bill, in my view, is the worst effort that I have ever seen on the part of the Congress in all of the years I have been here, going back to the time when this Congress held up for 2 years needed money to build the subway until the subway became more expensive because of the delay. I do not believe that it is in the public interest of the District or our taxpayers for us to get in the way of the ability of the fiscal control board to try to bring order to District of Columbia affairs. This bill guts their ability to do that.

It imposes Congress's judgment on vouchers. It requires vouchers be provided in order to send children in some cases to private schools. Now, maybe they ought to make that judgment, but the Congress should not make that judgment when they have no recourse if they disagree with that judgment. The Congress has overstepped its bounds, in my view, in a good many areas which the gentleman from Virginia [Mr. MORAN] has already described.

The issue here in my view is not whether some of these policy judgments should have been arrived at; the issue is who should arrive at those judgments. It is not the Congress; it is the fiscal control board which was appointed to do the job.

So what the Moran amendment is going to do, instead of unilaterally imposing actions on the District, the Moran amendment is going to simply ask the House to take the approach already adopted by Senator FAIRCLOTH, hardly a raving left-wing radical; it takes the approach which he has suggested and would substitute that for the approach taken by the subcommittee.

Under ordinary circumstances, I do not like to do that, because I do not like to adopt Senate judgments without further consideration. But given the gross committee overreaching in this case, by dictating to the District on what it ought to do on airplane flights, what it ought to do on the District of Columbia Law School, what it ought to do on other financial arrangements, it gives us no choice but to look for a more responsible way, and that more responsible way has been pointed out by Senator FAIRCLOTH. So in my view, we ought to adopt the Moran amendment.

In addition to being the right thing to do, it is the one thing that will produce a real bill. We will not produce a real bill by having the Congress dictate to the District of Columbia. We will produce a real bill, which demonstrates that Congress also knows how to exercise restraint, because that will enable us to get a bill with a presidential signature on it and that the President shall not veto.

We are now 1 week into the fiscal year. We should not be continuing to push our ideological preferences, we should be looking for practical solutions. The Moran amendment is that practical solution, and I would urge support for it when the time comes.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. DAVIS].

Mr. DAVIS of Virginia. Mr. Chairman, I appreciate the chairman yielding me this time, and I thank him for one of the most thankless tasks in Congress, and that is chairing the Subcommittee on the District of Columbia of the Committee on Appropriations; and also the gentleman from Virginia [Mr. MORAN], my friend from my neighboring district.

I actually share a lot of concerns that my friend from Virginia has expressed in terms of this bill over-authorizing and in some areas going contrary to where these authorizers have gone. We want to strengthen the control board. They have cut over $100 million from the city budget over the last 2 years, I think very constructive financial abilities, and there have been some misrepresentations to the contrary.

There have been some comments made that we could not get the streets plowed during the snowstorm and the big blizzard and the control board could have paid the bills directly. This legislation would not allow that, because they would have to come back to Congress to reprogram under contracts. Of course at the time of the big blizzard, the control board was not even up and operating.

Nevertheless, there are some very good things in this bill that the chairman has put in. He has attempted to work and try to bring us closer together on issues on which we have disagreed, and I want to thank him and express my appreciation for that.

Two years ago, consistent with my sponsorship of the law creating the control board for the District of Columbia, I supported what was then known as the Gunderson amendment. This was sponsored by our former colleague, Steve Gunderson, and it sought to enact educational reforms in the District.

Along with the education commission of the States, I believed then and I believe now that low-income scholarships are a good vehicle for providing poor students with choices and opportunities more financially advantaged children enjoy, thus promoting equity. While many of the Gunderson reforms were enacted, this one was not, and at that time a Senate filibuster eventually killed the proposal.

Today, the opponents of opportunity scholarships in the District of Columbia find themselves in an ever-shrinking minority of public opinion. Opponents are increasingly hard-pressed to justify their obstruction to change. Though many opponents of reform send their own children to private schools, they persist in standing in the schoolhouse door when it comes to poor children in the District of Columbia.

I stand with those who want to open the schoolhouse door. I stand with my colleagues in this House, like the gentleman from New York [Mr. FLAKE], and colleagues in the Senate like JOE LIEBERMAN, MARY LANDRIEU, and PAT MOYNIHAN. I stand with advocates like Alveda King,, the niece of Martin Luther King, who supports scholarships of this type as fulfilling the dreams of her uncle.

Only the ostrich who sticks his head in the sand would deny that our public schools in our urban centers are in crisis. In the District, eighth grade test scores are 79-percent below the national average for math and 29-percent below the national average for reading. That is why the control board created an emergency board of trustees last year. They are continuing to struggle with crises as diverse as violence, leaky roofs, and poor attendance, and for the fourth straight year schools were not able to open on time in the District of Columbia.

The reforms contained in the D.C. appropriations bill would provide $7 million for student opportunity scholarships, and some 2,000 poor kids would benefit.

□ 1330

Parents would have to apply for the money. Nobody is making them apply for the money, but it gives them the opportunity that the rest of us have. I dare say not one Member of Congress sends their kids to public schools. We would like to extend these opportunities to some of the poorest in our urban centers.

Mr. MORAN of Virginia. Mr. Chairman, I yield 5 minutes to the gentlewoman from the District of Columbia, Ms. ELEANOR HOLMES NORTON.

Ms. NORTON. Mr. Chairman, I thank the gentleman for yielding me the time, and I thank the gentleman for his very hard work for the District of Columbia. I thank the gentleman from North Carolina [Mr. TAYLOR] for his hard work as well, and I want to say that what I will say today is in no way meant to detract from the hard work and good faith that both the chairman and the ranking member have shown as they have worked for this budget.

I do hold up the statement of policy of the administration to tell Members why there are at least a half-a-dozen reasons why this bill will be vetoed. When we are talking about the Capital of the United States, which is on its

knees, we ought to be after a bill that will be passed swiftly.

On behalf of the people of the District of Columbia, I rise to ask for Members' support for the Moran substitute. I do so because the bill before us violates basic democratic principles, will cripple the District's recovery, and will undermine the difficult job we ourselves have given to the Control Board, whose efforts have the respect and confidence of the majority of this body.

The substitute we offer is not a Democratic substitute. The substitute is the work of North Carolina Senator LAUCH FAIRCLOTH, who has been described as the most conservative Member of the U.S. Senate. I can tell Members all about that. In negotiations on the D.C. rescue package just before the balanced budget bill, I was unable to keep the Senator from taking down much of home rule and putting the Control Board in charge of the city.

The Senator's bill largely respects home rule, but not because he cares about that. Rather, it is because the Control Board and the District submitted a consensus budget that is itself so conservative a document that even the North Carolina Senator found no reason to substantially alter it.

While Members here are lining up for ways to spend a predicted surplus, the Senate supported the District appropriation because the District uses its surplus largely to pay down debt. The Senate bill supported the District's decision to come into balance a year early. It is the prudent, even conservative, fiscal policy that is at the core of the Moran substitute that has recommended it across party lines. It was reported out of the Senate Committee on Appropriations 26 to 1.

Vouchers, of course, is the House bill's high profile controversial provision, but the people from Members' districts already know what to do when that issue is put to them: 20 referenda, 20 defeats. I have already called the roll on that during the rule.

For 30 years residents from States in the north and south, east and west, have rejected vouchers. Even when the voucher advocates lose, however, they double back and lose again, always by more than they lost the first time. In California they lost first by 61 percent, and then by 70 percent; in Washington State, first by 61 percent and then by 65 percent; in Massachusetts, first by 62 percent, and then they lost by 70 percent. They cannot win for losing, Mr. Chairman.

Here in the District the vote against vouchers was the largest of all, an almost unanimous 89 percent. Unable to trump that, the majority asked that we substitute a Republican-worded poll for the votes of the people I represent.

I respectfully disagree with the gentleman from California [Mr. DREIER], who suggested during debate on the rule that the vote in D.C. was not a voucher vote. It was exactly that. D.C. residents rejected a tax credit for parents who would send their children to private or religious schools, money that otherwise would have gone to the District's general fund. A voucher by any other name is still a voucher, and until D.C. residents vote again on this issue, this body cannot impose vouchers without wiping away each and every claim they have to American principles of democracy.

Mr. Chairman, this bill represents a compendium of provisions the majority has been unable to pass despite their control of both Houses: vouchers, medical liability, Davis-Bacon. The strategy is simple: find a jurisdiction that cannot fight back and simply impose their will, like any old dictatorship; find a jurisdiction whose delegate votes you seized and work your will. They call themselves a devolution Congress? Shame on them. If they pass this bill, they will be unable to make any claim to devolution or democracy. I say to the Members, if you want these ideologically charged measures, do them on your own dime with your open bill for your own majority, not on the backs of the taxpaying residents that I represent.

The ideological baggage may be the most apparent, but it is not the most appalling. After all, the majority often cannot resist ideological targets but it has refrained from targeting the five distinguished citizens who sit on the Control Board. Not content to go after city officials, this bill unwinds much of the most painstaking and vital work of the Control Board. The bill does reckless damage, to name only some of the most irrational provisions.

Mr. Chairman, I include for the RECORD the following Statement of Administration Policy:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,

Washington, DC, October 9, 1997.

STATEMENT OF ADMINISTRATION POLICY—H.R. 2607—DISTRICT OF COLUMBIA APPROPRIATIONS BILL, FY 1998

This Statement of Administration Policy provides the Administration's views on H.R. 2607, the District of Columbia Appropriations Bill, FY 1998, as reported by the House Appropriations Committee. Your consideration of the Administration's views would be appreciated.

The Administration strongly opposes section 342 of the Committee bill, which would provide for the use of $7 million in Federal taxpayer funds for private school vouchers. Instead of investing additional resources in public schools, vouchers would allow a few selected students to attend private schools, and would draw attention away from the hard work of reforming public schools that serve the overwhelming majority of D.C. students. Establishing a private school voucher system in the Nation's Capital would set a dangerous precedent for using Federal taxpayer funds for schools that are not accountable to the public. If this language were included in the bill presented to the President, the President's senior advisers would recommend that the President veto the bill.

While the Administration appreciates the support of the Committee in developing a bill that provides sufficient Federal funding to implement the National Capital Revitalization and Self-Government Improvement Act of 1977 (the Revitalization Act), we strongly oppose a number of the provisions of the Committee bill, as described below. Even if the provision concerning school vouchers were to be stricken, the Committee bill would remain unacceptable. Unless the Administration's concerns are satisfactorily resolved, the President's senior advisers would recommend that the President veto the bill. The Administration urges the House to approve the Moran substitute amendment, which would address a number of the concerns detailed below.

PENNSYLVANIA AVENUE

The Administration strongly opposes section 159 of the bill, which would require that Pennsylvania Avenue in front of the White House be opened on January 1, 1998. On May 20, 1995, the Department of the Treasury implemented the security action to prohibit vehicular traffic on Pennsylvania Avenue between 15th and 17th Streets. A White House Security Review concluded that there was no alternative to prohibiting vehicular traffic on Pennsylvania Avenue that would ensure the protection of the President of the United States, the first family, and those working in or visiting the White House Complex from explosive devices carried in vehicles near the perimeter. The Committee's action would jeopardize the safety of those inside the White House Complex.

PUBLIC ASSISTANCE PAYMENTS

The Administration opposes section 149 of the bill, which would prohibit the District from increasing public assistance payments under the Temporary Assistance for Needy Families Program beyond the level provided under the District of Columbia Public Assistance Act of 1982. This restriction is inconsistent with the broad flexibility provided under Federal welfare reform and could hinder the District's efforts to invest resources in areas necessary to move individuals off welfare and into work.

DAVIS-BACON ACT

The Administration strongly opposes section 363 of the Committee bill. As drafted, this provision would permit waiver of the application of the Davis-Bacon Act to construction and repair work for the District of Columbia schools. Waiving these protections would deny payment of locally prevailing wages to workers on Federally funded construction sites. The Administration supports the Sabo amendment to strike this provision.

ABORTION

The Administration strongly opposes the abortion language of the Committee bill, which would prohibit the use of both Federal and District funds to pay for abortions except in those cases where the life of the mother is endangered or in situations involving rape or incest. Further, the Department of Justice has advised that the language would be unconstitutional regarding funds provided to the District of Columbia Corrections Trustee, to the extent the language places an undue burden on a woman's right to obtain an abortion. The Administration continues to view the prohibition on the use of local funds as an unwarranted intrusion into the affairs of the District and would support an amendment, if offered, to strike this prohibition.

MICROMANAGEMENT

The Administration opposes the provisions of the Committee bill, that would further restrict or otherwise condition management of the District government and expenditure of funds, thereby undercutting the Financial Responsibility and Management Assistance Authority's (the Authority's) oversight role and responsibility for the District's annual budget.

Specifically, the Administration opposes provisions of the bill that would require the District to direct surplus FY 1998 revenues to a taxpayer relief fund and earmark $200 million in local funds for deficit reduction. These provisions do not reflect the consensus agreement reached by the Authority, the Council, and the Executive Branch on the FY 1998 budget for the District. Moreover, Congress has given to the Authority the responsibility for guiding the District toward long-term financial health, and that role should not be undercut by unnecessary micromanagement.

The Administration also opposes a provision that would amend the District's tort laws and impose a cap on punitive damages at an arbitrary level. The Administration believes that these limits undermine the very purpose of punitive damages, which is to punish and deter misconduct. Furthermore, the Administration strongly opposes any differentiation between so-called ''economic'' and ''non-economic'' damages. ''Non-economic'' damages are just as real as economic damages, and limiting them imposes a hardship on the most vulnerable members of our society.

In addition, we oppose House language that would restrict the District's authority to improve its financial management systems. The District has been told by Congress, by the General Accounting Office, and by the Administration for some time that it needs to improve its financial management systems. The DC Chief Financial Officer and the Authority have taken steps to implement the necessary improvements. The Congress should not use this appropriations bill to block those efforts.

TREASURY BORROWING AUTHORITY

The Committee bill includes language that would prohibit the District from borrowing to finance its accumulated general fund deficit. It is not uncommon for cities recovering from severe cash flow problems to finance accumulated deficits through long-term borrowing. The Revitalization Act allows the District to borrow up to $300 million from Treasury for deficit financing if the District can show that it does not have private market access. The District needs the flexibility to use the treasury window for long-term borrowing in case the private markets are not accessible.

D.C. COURTS AND OFFENDER SERVICES FUNDING

The Administration strongly opposes language in the Committee bill that provides for funding the District of Columbia Courts and Offender Services through the Office of Management and Budget. The Administration urges the Committee to consider passing funding through stand alone accounts. The Administration's original proposal called for funding to be passed through the State Justice Institute.

Additionally, the Administration would recommend that the House include language that would make available funds collected by the District of Columbia Courts for necessary expenses, including the funding of pension costs.

The Administration is committed to working with the House to produce a bill that will assist the District in its continued efforts toward financial recovery.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Members are reminded not to characterize individual Members of the U.S. Senate.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. LIVINGSTON], the chairman of our full committee.

Mr. LIVINGSTON. Mr. Chairman, the gentlewoman who just spoke cares deeply about the lives of the constituents that she represents and about the welfare of this great city. I think to charge the majority with the label of being ideologically motivated, though, is unfair. I heard it from the gentleman from Wisconsin as well.

The fact is I do not think it is ideological to say to the NEA that is housed in a great big facility here in the city, that they ought to pay taxes like everybody else. I do not think it is ideological to try to tell the parents of a youngster who is bound to go to a school that has proven itself inferior and incapable of delivering a decent education. It is in these schools where the youngster is effectively sentenced to try to survive in that school, which in turn yields a high probability that he may ultimately be sentenced to prison, if he survives. I do not think it is ideological to say that he should have another opportunity to go to another school.

I do not think it is ideological to say that we should come up with a system that makes it cheaper to build new schools, or repair older schools so they can be habitable for youngsters, rather than being bound and hogtied by ideological Davis-Bacon laws that say that you have to pay higher wages and thus have less money to repair the facilities.

I do not think it is ideological to say that a law school ought to quit conning its students, giving them diplomas that they cannot use, and simply get itself accredited, so it gives the people that participate in the enrollment in that school an opportunity for a quality legal education. Those are not ideological propositions. They are simply common sense.

Mr. MORAN of Virginia. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, I would make it clear that the National Education Association has agreed to pay all of its property taxes, and in fact, in this bill, it would do so.

Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. DIXON].

Mr. DIXON. Mr. Chairman, I thank the gentleman for yielding me the time.

First, Mr. Chairman, let me say to the ranking member that I can clearly understand the most difficult job that he has in this bill.

To the chairman of the subcommittee, I have great respect for him. I just think that he is entirely wrong on this issue, and I admire the way and the courage the gentleman has shown in coming back and improving his own health.

Let me say that this is a very, very sorry hour for the House of Representatives. I am reminded of the song that ''It Cuts Both Ways,'' because men and women on this floor have tried to cut it both ways. When they wanted something, they stuck it in the bill, whether it was on my right or on my left.

We had a concept of home rule, and I will take my fair share of the blame for not moving faster. But I worshipped at the altar of home rule. We decided that we wanted to place an intermediary between us and Congress, and we put a Financial Control Board in place. This bill has taken us from home rule back to the plantation for 600,000 people.

If Members listen to what our chairman said, the things in this bill stem from City Council actions. There will be a time today that we will have a chance to speak on the voucher system and have a healthy discussion. The gentleman from San Diego, CA [Mr. CUNNINGHAM], I appreciate that he is operating in good will.

Mr. Chairman, the gentleman from North Carolina [Mr. TAYLOR] has attacked the Control Board in a Dear Colleague letter that he sent out, the instrument that Congress set up. Why? Because he does not like a lot of the things that it has done.

Just for one second, let me contrast that with part of the voucher system. The Control Board is selected by the President. All the D.C. residents receive no money. They work at this for nothing. It is a labor of love. These are people who have good backgrounds from diverse areas and do not need this.

In the voucher system, we compensate them for reviewing and giving out 2,000 vouchers no more than $5,000 a year. Instead of letting the District appoint these people, the Speaker and the majority leader in the Senate give a list to the President of the United States to decide on who should get 2,000 vouchers. What are we kidding ourselves about here? We are not interested in improving the quality of the public or private schools; we are interested in beating our own political horse here.

If Members listen to the rhetoric of my good friend, the gentleman from southern California, as I said before, it was loaded with purr and snarl words: ''The labor bosses;'' he even called the gentleman carrying the rule, the chairman of the DNC.

Let us get serious about what we are doing here. If we want to take back home rule, let us do it cleanly, but let us not do it in this very obscure way.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 30 seconds to the gentleman from Arkansas [Mr. DICKEY].

Mr. DICKEY. Mr. Chairman, I thank the gentleman for yielding time to me for the purposes of having a colloquy.

Mr. Chairman, I would like to state that he is to be commended for the work that he has done, the outstanding efforts and hard work in bringing this bill to the floor, and during that time, for being such a shock absorber for the media criticism that he has received. The same goes for the gentleman from Virginia [Mr. MORAN].

I have brought to the attention of the chairman and to the D.C. appropriations a bill that would prevent two

individuals who are unmarried from adopting a child. This amendment has been included in the House version of the D.C. appropriations bill in the past. I feel that the responsible adoption amendment should be included in the fiscal year 1998 bill.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. DICKEY. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Chairman, I appreciate the gentleman's concerns, and I will make every effort to accommodate the gentleman's request in conference.

Mr. MORAN of Virginia. Mr. Chairman, I yield 5 seconds to myself.

Mr. Chairman, I would say that I will make every effort to ensure that provision is not accommodated in conference, for what it is worth.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Michigan [Ms. STABENOW].

Ms. STABENOW. Mr. Chairman, I appreciate the opportunity to speak on a subject that, while it affects the District of Columbia, it affects the entire country.

Mr. Chairman, those of us in Michigan care very deeply about the children of the District of Columbia and this city. I want to first congratulate the very effective voice of the gentlewoman from the District of Columbia [Ms. ELEANOR HOLMES NORTON], the Delegate, for her advocacy on behalf of her constituency. This in particular to me is a philosophical debate, an ideological debate around the issue of education. This is the provision I wish to speak to today in strong opposition in this bill.

We saw this year children starting school 3 weeks late, some later, because the roof was falling in in some D.C. schools.

□ 1345

The Republican ideology says the response is to send 3 percent of the children to private schools with vouchers. The Democratic response is, fix the roof. Fix the roof. Support public education. Care about all of the children, not just 3 percent that would be given the opportunity to go to private schools through the vouchers in this bill.

We have today in USA Today a headline, ''Schools struggle to utilize technology.'' Only a fraction of America's schools are integrating technology to benefit their students, says an alliance of prominent business and education leaders, the CEO Forum.

I mention this because the $7 million in this bill that goes to 3 percent of the children for vouchers would rewire 65 public schools in the District of Columbia for children. This is about a commitment for all children in the District of Columbia to be successful and compete in that world economy that they will face.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. HORN].

Mr. HORN. Mr. Chairman, I am an educator. I have spent 30 years of my life in education, and I have long opposed vouchers generally, but I have favored vouchers to build competition within public schools. Mr. Chairman, we are in such a crisis in this city that I will vote today to support vouchers.

In the 1960's, I lived in the District. My two children went to desegregated public schools. They received a first rate education. But since the 1960's, we have had a failure in management, a failure in discipline, a failure in overcoming dilapidated quarters, and that is part of our problem.

Mr. Chairman, we simply cannot let another generation of African-American students get out of school improperly educated so they do not have any opportunities in this society. I think it has come to the point where we have to face reality, and reality is to give a shock to that system and get the job done and get back to education.

Mr. MORAN of Virginia. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. WYNN].

Mr. WYNN. Mr. Chairman, I thank the gentleman from Virginia [Mr. MORAN] for allowing me to speak and also for his hard work. I also would like to recognize the work of the gentleman from North Carolina [Mr. TAYLOR].

Mr. Chairman, although I disagree with much in the bill, I do agree that we do need to give a raise to our local police officers in the District of Columbia, and that is included in the bill. For that, I am appreciative.

On the other hand, I do take great exception to this notion of vouchers that is included in the bill. We should make no mistake; when we hear the Republicans say they are providing scholarships, which sounds like a great idea, they are not; they are providing vouchers, which takes taxpayers' money out of public schools and puts that taxpayers' money into private schools. I think that is wrong.

Mr. Chairman, the District of Columbia government is not without its shortcomings. I represent Prince George's and Montgomery Counties. I am their neighbor, and I know. But they have also made tremendous progress. The fact of the matter is, the District of Columbia is not a plantation to accommodate the whims of certain Members of Congress, nor is it a laboratory in which we can experiment on the people of the District of Columbia. It is an elected democratic government, and it deserves respect, and it deserves the right to make its own decisions.

Government does have a role. We in Congress do have a role. We exercise that role by putting in place the Control Board to assist in the management of the District of Columbia. But now this bill would supersede the role of the Control Board and try to micromanage government. It does so particularly in the area of vouchers.

Mr. Chairman, this bill takes $45 million over 5 years out of the District of Columbia and it gives it to 2,000 students. That leaves behind 76,000 students who need their roof repaired in their schools, that need new books, that need technological improvements, that need teachers with better pay, that need better overall facilities.

They say, ''We are doing this to help the poorest of the poor. We are doing this to help the people who are really needy.'' The problem is, it leaves behind the middle class, the working class, the people who pay the taxes in the District of Columbia. Their children do not get the benefit of this latest experiment, and, again, I think that that is wrong.

Mr. Chairman, I urge that this body adopt the Moran substitute. It is a balanced, fair approach, and it respects the sovereignty and dignity of the citizens of the District of Columbia.

Mr. TAYLOR of North Carolina. Mr. Chairman, I reserve the balance of my time.

Mr. MORAN of Virginia. Mr. Chairman, I would like to inquire how much time we have remaining on both sides.

The CHAIRMAN. The gentleman from Virginia [Mr. MORAN] has 4¼ minutes remaining, and the gentleman from North Carolina [Mr. TAYLOR] has 5½ minutes remaining.

Mr. MORAN of Virginia. Mr. Chairman, I yield 2 minutes to the gentlewoman from Michigan [Ms. KILPATRICK].

Ms. KILPATRICK. Mr. Chairman, I offer thanks to the gentleman from Virginia [Mr. MORAN], our ranking member, for giving me the opportunity to come before this body today, as well as to the gentleman from California [Mr. DIXON], who has shown his leadership as we discuss the life of over 600,000 people in this city of ours, our Capital City, who have no representation who can vote in this Congress.

Mr. Chairman, 600,000 people, more than 4 States' population, and yet they have no vote here in this Congress. And if they did, I do not think we would be debating as we are today how they would run their schools.

I stand here opposed to this legislation for many reasons. First of all, it repeals the Davis-Bacon provision that says that prevailing wages and safety regulations will be had for the workers who work on construction and repair projects here in the District of Columbia district with over 600,000 people.

It also closes the UDC Law School. It is not a time to close our law school. It is an opportunity for people to go to law school who would otherwise not have it. I think it is a tragedy.

Mr. Chairman, this bill talks about school vouchers. Over 90 percent of children in America go to public schools. I am a parent and former high school teacher and a graduate of all-public universities. I have two children who graduated from public school. One is now a lawyer; the other owns her own business. Many of us in this Congress are products of public education.

Why then are we putting our will on over 600,000 people in the District of

Columbia who have said over and over again, and in a vote of over 60 percent, that they do not want vouchers?

Mr. Chairman, I say to the gentlewoman from the District of Columbia [Ms. NORTON], Madam D.C. Congresswoman, for your efforts we praise you.

Mr. Chairman, to all of my colleagues who want to run the District of Columbia I say, leave them alone. Give them D.C. statehood. That is what they want, 600,000 people, more than the population of four States. I think it is unfortunate, and I urge my colleagues to vote against this legislation.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, let me just say very quickly that I do not think that the debate today is a matter of who cares more about children. I think both sides care deeply and passionately about children, and that is something to celebrate.

But I have come to the conclusion that it is not possible for the public schools to reform internally without the pressure that is put on them from the outside through the concept of competition. I think we all need to think about it. The purpose of competition is not to destroy the public school, the purpose of competition is to improve the public school so that the public school can be a viable institution and a critical part of the culture of America.

But I really believe that without the competition that puts the pressure on those within the public school to have to begin to stand up, which many are now beginning to do, and bring about the essential reforms that are necessary to give our children a chance to become successful in life, it is not going to work.

Mr. Chairman, this is the beginning of a very important debate, and ultimately the public will be set free, both private schools will be effective and public schools will be improved.

Mr. MORAN of Virginia. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Mrs. LOWEY].

(Mrs. LOWEY asked and was given permission to revise and extend her remarks.)

Mrs. LOWEY. Mr. Chairman, I rise in opposition to this bill for several important reasons, and I want to congratulate the gentleman from Virginia [Mr. MORAN], the ranking member of this committee, on his substitute.

First, the bill contains a very harmful private school voucher provision. I am very concerned that private schools that receive Federal funding would not be held accountable to the taxpayers. I am also very concerned that funding private religious schools with public money is a clear violation of the constitutional principle of state-church separation.

As we all know by now, the funding for the bill would provide vouchers for approximately 3 percent of all D.C. students. Mr. Chairman, I ask my colleagues, what about the other 97 percent who do not win this educational sweepstakes? What kind of message does a random lottery send to our youth? It tells them that their future is based on the luck of the draw, not their effort and ambition and not equal opportunity for all.

Mr. Chairman, in my judgment, the answer is not a limited voucher program, it is tougher academic standards, safer school buildings, smaller classes, more teacher training.

This bill also repeals the Davis-Bacon law for D.C. school construction projects. This repeal will not improve the District's crumbling schools but will discriminate against the District's construction workers. These workers deserve to earn a decent wage. A recent study, in fact, comparing school construction costs in five States with State prevailing wage laws and four States without such laws found that costs were actually lower in those States governed by State prevailing wages.

If those on the other side really care about the District's crumbling schools, they should support H.R. 1104, the Partnership to Rebuild America's Schools, which would provide the District with $15 million to rebuild its schools and $5 billion nationwide.

Mr. TAYLOR of North Carolina. Mr. Chairman, I reserve the balance of my time.

Mr. MORAN of Virginia. Mr. Chairman, I do not have a lot of time to reserve.

The CHAIRMAN. The gentleman from Virginia has 15 seconds remaining.

Mr. MORAN of Virginia. Mr. Chairman, with that amount of time I really ought to reserve for rebuttal, would be my preference. Perhaps the gentleman from North Carolina would like to conclude or at least to use up a little more of his.

Mr. TAYLOR of North Carolina. Mr. Chairman, we have one remaining speaker to close. We have the right to close, I believe, do we not?

The CHAIRMAN. The gentleman from North Carolina has the right to close. The gentleman from Virginia, Mr. Moran, has used approximately 15 seconds to announce that he would like to say something else. The gentleman has 4 seconds remaining.

Mr. MORAN of Virginia. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would urge my colleagues to support the substitute amendment which gives us the Senate bill. The Senate bill means that we will have an enacted bill, we will do the right thing by the citizens of the District of Columbia and, in my opinion, the right thing by the Congress of the United States.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield the balance of my time to the gentleman from New York [Mr. WALSH], the former chairman of the subcommittee.

Mr. WALSH. Mr. Chairman, I thank the distinguished gentleman from North Carolina [Mr. TAYLOR], chairman of the Subcommittee on the District of Columbia, and the gentleman from Virginia [Mr. MORAN], the ranking member, for their hard work.

Mr. Chairman, when the gentleman from North Carolina took over this responsibility, I urged him to be bold, and he has been bold. This city needs dramatic attention, and this bill provides attention and it provides solutions to many of the problems.

Mr. Chairman, I would like to dedicate my time at the podium to talk about this D.C. Opportunity Scholarships Program. Whether we call them scholarships or we call them vouchers, they are a lifeline to the poor kids in this city and their families.

Mr. Chairman, I would like to tell my colleagues a little bit about my hometown in Syracuse, where I was first married and raised my kids in a strong middle-class neighborhood in Syracuse. There were two schools, a private school, a parochial school, and public school.

Mr. Chairman, these two schools competed with each other for the kids. The PTO's from each school would go up and down the street knocking on doors, encouraging young parents to send their kids to their schools. Both schools taught kids, rich and poor and middle-class.

The public school had eminently better facilities. They had better bonding. They had better gyms. They had better science labs and all kinds of better facilities. The Catholic school provided more nurturing and discipline. Kids in trouble in one school could leave that school and go to the other, and vice versa. All of the kids were served. It was great for the kids.

Mr. Chairman, I am convinced, I am absolutely convinced, that we cannot have good public schools if we do not have good private schools.

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We cannot have good private schools if we do not have good public schools. In that middle class neighborhood, that worked. In the poor neighborhoods, the choice was not there because the poor people could not afford the private schools. This will give them that opportunity in this city.

This is not a union vote or an anti-union vote. We have the highest respect for teachers. They are a national treasure. They take all of society's ills upon their shoulders and try to help these kids to get through what otherwise would be a difficult, difficult existence. This is not anti-teacher. This is pro-teacher. The teachers need help. Go to the inner city schools, go to the public schools, ask the teachers, they are stressed out. They are burned out. This will help them. This will make their schools better. It will make the entire educational system of this country better.

Specifically, though, we are talking about the District of Columbia. The

teachers want better schools as much as the parents do, if not more so, and they are fighting a losing battle. Poor families should have choices like moderate income and wealthy families do.

In Syracuse, our public school superintendent sends his child to a private school; so do some of the Members of the school board. They do it for the right reasons; that is a good decision. Why? Because they could get the education that they want at those schools. In Washington, DC, the President of the United States made a decision to send his daughter to a private school. Why? I do not care why. That is his decision. But he has the resources to do that.

Why should not poor families have that choice? There is no ideological or philosophical argument. There is no argument. To argue to the contrary is hypocrisy. There is no solid, firm standing to argue for public schools, against vouchers, when they are sending their kids to private schools.

Let us do this for the children. Forget about ideology, forget about union or nonunion. This is not that issue. This is about breaking the cycle of poverty and violence for the kids in our cities, especially this city, this city which we have so much love for and respect for and compassion for.

I do not understand it, Mr. Chairman. I do not understand how anyone could argue against this simple program to help some kids in this great city.

The CHAIRMAN pro tempore (Mr. LAHOOD). All time for general debate has expired.

Pursuant to the rule, the amendment printed in part I of House report 105–315 is adopted and the bill is considered read for the amendment under the 5-minute rule.

The text of H.R. 2607, as amended by part I of House Report 105–315, is as follows:

H.R. 2607

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 1998, and for other purposes, namely:

TITLE I—FISCAL YEAR 1998 APPROPRIATIONS

FEDERAL FUNDS

FEDERAL CONTRIBUTION TO THE OPERATIONS OF THE NATION'S CAPITAL

For a Federal contribution to the District of Columbia towards the costs of the operation of the government of the District of Columbia, $180,000,000; as authorized by section 11601 of the National Capital Revitalization and Self-Government Improvement Act of 1997, Public Law 105–33.

OFFICE OF THE INSPECTOR GENERAL

For the Office of the Inspector General, $2,000,000, to prevent and detect fraud, waste, and abuse in the programs and operations of all functions, activities, and entities within the government of the District of Columbia.

METROPOLITAN POLICE DEPARTMENT

For the Metropolitan Police Department, $5,400,000, for a 5 percent pay increase for sworn officers who perform primarily nonadministrative public safety services and are certified by the Chief of Police as having met certain minimum standards referred to in section 148 of this Act.

FIRE AND EMERGENCY MEDICAL SERVICES DEPARTMENT

For the Fire and Emergency Medical Services Department, $2,600,000, for a 5 percent pay increase for uniformed fire fighters.

FEDERAL CONTRIBUTION TO PUBLIC SCHOOLS

For the public schools of the District of Columbia, $1,000,000, which shall be paid to the District Education and Learning Technologies Advancement (DELTA) Council established by section 2604 of the District of Columbia School Reform Act of 1995, Public Law 104–134, within 10 days of the effective date of the appointment of a majority of the Council's members.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA CORRECTIONS TRUSTEE OPERATIONS

For payment to the District of Columbia Corrections Trustee for the administration and operation of correctional facilities, $169,000,000, as authorized by the National Capital Revitalization and Self-Government Improvement Act of 1997, Public Law 105–33.

PAYMENT TO THE DISTRICT OF COLUMBIA CORRECTIONS TRUSTEE FOR CORRECTIONAL FACILITIES, CONSTRUCTION AND REPAIR

For payment to the District of Columbia Corrections Trustee for Correctional Facilities, $302,000,000, to remain available until expended, of which not less than $294,900,000 is available for transfer to the Federal Prison System, as authorized by section 11202 of the National Capital Revitalization and Self-Government Improvement Act of 1997; and $7,100,000 shall be for security improvements and repairs at the Lorton Correctional Complex.

EXECUTIVE OFFICE OF THE PRESIDENT

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

CRIMINAL JUSTICE SYSTEM

(INCLUDING TRANSFER OF FUNDS)

Pursuant to the National Capital Revitalization and Self-Government Improvement Act of 1997 (Public Law 105–33) $146,000,000 for the Office of Management and Budget, of which: (1) not to exceed $121,000,000 shall be transferred to the Joint Committee on Judicial Administration in the District of Columbia for operation of the District of Columbia Courts; (2) not to exceed $2,000,000 shall be transferred to the District of Columbia Truth in Sentencing Commission to implement section 11211 of the National Capital Revitalization and Self-Government Improvement Act of 1997; (3) not to exceed $22,200,000 shall be transferred to the Pretrial Services, Defense Services, Parole, Adult Probation, and Offender Supervision Trustee for expenses relating to pretrial services, defense services, parole, adult probation and offender supervision in the District of Columbia, and for operating expenses of the Trustee; and (4) not to exceed $800,000 shall be transferred to the United States Parole Commission to implement section 11231 of the National Capital Revitalization and Self-Government Improvement Act of 1997.

UNITED STATES PARK POLICE

For payment to the United States Park Police for policing services performed within the District of Columbia, $12,500,000.

FEDERAL CONTRIBUTION TO THE DISTRICT OF COLUMBIA SCHOLARSHIP FUND

For the District of Columbia Scholarship Fund, $7,000,000, as authorized by section 342 of this Act for scholarships to students of low-income families in the District of Columbia to enable them to have educational choice.

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

DISTRICT OF COLUMBIA TAXPAYERS RELIEF FUND

For the District of Columbia Taxpayers Relief Fund, an amount equal to the difference between the amount of District of Columbia local revenues provided under this Act and the actual amount of District of Columbia local revenues generated during fiscal year 1998 (as determined and certified by the Chief Financial Officer of the District of Columbia): *Provided,* That such amount shall be deposited into an escrow account held by the District of Columbia Financial Responsibility and Management Assistance Authority, which shall allocate the funds to the Mayor, or such other District official as the Authority may deem appropriate, in amounts and in a manner consistent with the requirements of this Act: *Provided further,* That these funds shall only be used to offset reductions in District of Columbia local revenues as a result of reductions in District of Columbia taxes or fees enacted by the Council of the District of Columbia (based upon the recommendations of the District of Columbia Tax Revision Commission and the Business Regulatory Reform Commission) and effective no later than October 1, 1998.

DISTRICT OF COLUMBIA DEFICIT REDUCTION FUND

For the District of Columbia Deficit Reduction Fund, $200,000,000, to be deposited into an escrow account held by the District of Columbia Financial Responsibility and Management Assistance Authority, which shall allocate the funds to the Mayor, or such other District official as the Authority may deem appropriate, at such intervals and in accordance with such terms and conditions as the Authority considers appropriate: *Provided,* That an additional amount shall be deposited into the Fund each month equal to the amount saved by the District of Columbia during the previous month as a result of cost-saving initiatives of the Mayor of the District of Columbia (described in the fiscal year 1998 budget submission of June 1997), as determined and certified by the Chief Financial Officer of the District of Columbia: *Provided further,* That the District government shall make every effort to implement such cost-saving initiatives so that the total amount saved by the District of Columbia during all months of fiscal year 1998 as a result of such initiatives is equal to or greater than $100,000,000: *Provided further,* That the Chief Financial Officer shall submit a report to Congress not later than January 1, 1998, on a timetable for the implementation of such initiatives under which all such initiatives shall be implemented by not later than September 30, 1998: *Provided further,* That amounts in the Fund shall only be used for reduction of the accumulated general fund deficit existing as of September 30, 1997.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, $119,177,000 and 1,479 full-time equivalent positions (including $98,316,000, and 1,400 full-time equivalent positions from local funds, $14,013,000 and 9 full-time equivalent positions from Federal funds, and $6,848,000 and 70 full-time equivalent positions from other funds): *Provided,* That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be

available from this appropriation for official purposes: *Provided further,* That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further,* That no revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and Statehood Compact Commission: *Provided further,* That the District of Columbia shall identify the sources of funding for Admission to Statehood from its own locally-generated revenues: *Provided further,* That $240,000 shall be available for citywide special elections: *Provided further,* That all employees permanently assigned to work in the Office of the Mayor shall be paid from funds allocated to the Office of the Mayor.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $120,072,000 and 1,283 full-time equivalent positions (including $40,377,000 and 561 full-time equivalent positions from local funds, $42,065,000 and 526 full-time equivalent positions from Federal funds, and $25,630,000 and 196 full-time equivalent positions from other funds and $12,000,000 collected in the form of Business Improvement Districts tax revenue collected by the District of Columbia on behalf of business improvement districts pursuant to the Business Improvement Districts Act of 1996, effective May 29, 1996 (D.C. Law 11–134; D.C. Code, sec. 1–2271 et seq.) and the Business Improvement Districts Temporary Amendment Act of 1997 (Bill 12–230).

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without regard to the general purchase price limitation for the current fiscal year, $502,970,000 and 9,719 full-time equivalent positions (including $483,557,000 and 9,642 full-time equivalent positions from local funds, $13,519,000 and 73 full-time equivalent positions from Federal funds, and $5,894,000 and 4 full-time equivalent positions from other funds): *Provided,* That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles and the Department of Fire and Emergency Medical Services of the District of Columbia is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further,* That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further,* That the Metropolitan Police Department shall provide quarterly reports to the Committees on Appropriations of the House and Senate on efforts to increase efficiency and improve the professionalism in the department: *Provided further,* That notwithstanding any other provision of law, or Mayor's Order 86–45, issued March 18, 1986, the Metropolitan Police Department's delegated small purchase authority shall be $500,000: *Provided further,* That the District of Columbia government may not require the Metropolitan Police Department to submit to any other procurement review process, or to obtain the approval of or be restricted in any manner by any official or employee of the District of Columbia government, for purchases that do not exceed $500,000: *Provided further,* That the District of Columbia Fire Department shall provide quarterly reports to the Committees on Appropriations of the House and Senate on efforts to increase efficiency and improve the professionalism in the department: *Provided further,* That notwithstanding any other provision of law, or Mayor's Order 86–45, issued March 18, 1986, the District of Columbia Fire Department's delegated small purchase authority shall be $500,000: *Provided further,* That the District of Columbia government may not require the District of Columbia Fire Department to submit to any other procurement review or contract approval process, or to obtain the approval of or be restricted in any manner by any official or employee of the District of Columbia government, for purchases that do not exceed $500,000: *Provided further,* That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: *Provided further,* That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and the availability of the sums shall be deemed as constituting payment in advance for emergency services involved*: Provided further,* That the Metropolitan Police Department is authorized to maintain 3,800 sworn officers, with leave for a 50 officer attrition: *Provided further,* That no more than 15 members of the Metropolitan Police Department shall be detailed or assigned to the Executive Protection Unit, until the Chief of Police submits a recommendation to the Council for its review: *Provided further,* That $100,000 shall be available for inmates released on medical and geriatric parole: *Provided further,* That not less than $2,254,754 shall be available to support a pay raise for uniformed firefighters, when authorized by the District of Columbia Council and the District of Columbia Financial Responsibility and Management Assistance Authority, which funding will be made available as savings are achieved through actions within the appropriated budget: *Provided further,* That funds appropriated for expenses under the District of Columbia Criminal Justice Act, approved September 3, 1974 (88 Stat. 1090; Public Law 93–412; D.C. Code, sec. 11–2601 et seq.), for the fiscal year ending September 30, 1998, shall be available for obligations incurred under the Act in each fiscal year since inception in fiscal year 1975: *Provided further,* That funds appropriated for expenses under the District of Columbia Neglect Representation Equity Act of 1984, effective March 13, 1985 (D.C. Law 5–129; D.C. Code, Sec. 16–2304), for the fiscal year ending September 30, 1998, shall be available for obligations incurred under the Act in each fiscal year since inception in fiscal year 1985: *Provided further,* That funds appropriated for expenses under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986, effective February 27, 1987 (D.C. Law 6–204; D.C. Code, sec. 21–2060), for the fiscal year ending September 30, 1998, shall be available for obligations incurred under the Act in each fiscal year since inception in fiscal year 1989: *Provided further,* That not to exceed $1,500 for the Chief Judge of the District of Columbia Court of Appeals, $1,500 for the Chief Judge of the Superior Court of the District of Columbia, and $1,500 for the Executive Officer of the District of Columbia Courts shall be available from this appropriation for official purposes.

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, $673,444,000 and 11,314 full-time equivalent positions (including $531,197,000 and 9,595 full-time equivalent positions from local funds, $112,806,000 and 1,424 full-time equivalent positions from Federal funds, and $29,441,000 and 295 full-time equivalent positions from other funds), to be allocated as follows: $560,114,000 and 9,979 full-time equivalent positions (including $456,128,000 and 8,623 full-time equivalent positions from local funds, $98,491,000 and 1,251 full-time equivalent positions from Federal funds, and $5,495,000 and 105 full-time equivalent positions from other funds), for the public schools of the District of Columbia; $5,250,000 (including $300,000 for the Public Charter School Board) from local funds for public charter schools: *Provided,* That if the entirety of this allocation has not been provided as payments to one or more public charter schools by May 15, 1998, and remains unallocated, the funds will revert to the general fund of the District of Columbia in accordance with section 2403(a)(2)(D) of the District of Columbia School Reform Act of 1995 (Public Law 104–134); $8,900,000 from local funds for the District of Columbia Teachers' Retirement Fund; $1,000,000 from local funds for the District Education and Learning Technologies Advancement (DELTA) Council to be paid to the Council within 10 days of the effective date of the appointment of a majority of the Council's members; $70,687,000 and 872 full-time equivalent positions (including $37,126,000 and 562 full-time equivalent positions from local funds, $12,804,000 and 156 full-time equivalent positions from Federal funds, and $20,757,000 and 154 full-time equivalent positions from other funds) for the University of the District of Columbia (excluding the U.D.C. School of Law); $3,400,000 and 45 full-time equivalent positions (including $665,000 and 10 full-time equivalent positions from local funds and $2,735,000 and 35 full-time equivalent positions from other funds) for the U.D.C. School of Law; $22,036,000 and 409 full-time equivalent positions (including $20,424,000 and 398 full-time equivalent positions from local funds, $1,158,000 and 10 full-time equivalent positions from Federal funds, and $454,000 and 1 full-time equivalent position from other funds) for the Public Library; $2,057,000 and 9 full-time equivalent positions (including $1,704,000 and 2 full-time equivalent positions from local funds and $353,000 and 7 full-time equivalent positions from Federal funds) for the Commission on the Arts and Humanities: *Provided,* That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further,* That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for official purposes: *Provided further,* That not less than $1,200,000 shall be available for local school allotments in a restricted line item: *Provided further,* That not less than $4,500,000 shall be available to support kindergarten aides in a restricted line item: *Provided further,* That not less than $2,800,000 shall be available to support substitute teachers in a restricted line item: *Provided further,* That not less than $1,788,000 shall be available in a restricted line item for school counselors: *Provided further,* That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 1998, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area: *Provided further,* That not less than

$584,000 shall be available to support high school dropout prevention programs: *Provided further,* That not less than $295,000 shall be available for youth leadership and conflict resolution programs: *Provided further,* That not less than $10,000,000 shall be available to support a pay raise for principals and assistant principals and for teachers of the schools of the District of Columbia Public Schools with valid teaching credentials who are primarily engaged in classroom instruction during the SY 1997–1998: *Provided further,* That not less than $250,000 shall be available to support Truancy Prevention Programs: *Provided further,* That by the end of fiscal year 1998, the District of Columbia Schools shall designate at least 2 or more District of Columbia Public School buildings as ''Community Hubs'' which, in addition to serving as educational facilities, shall serve as multi-purpose centers that provide opportunities to integrate support services and enable inter-generational users to meet the lifelong learning needs of community residents, and may support the following activities: before and after school care; counseling; tutoring; vocational and career training; art and sports programs; housing assistance; family literacy; health and nutrition programs; parent education; employment assistance; adult education; and access to state-of-the art technology.

HUMAN SUPPORT SERVICES

Human support services, $1,718,939,000 and 6,096 full-time equivalent positions (including $789,350,000 and 3,583 full-time equivalent positions from local funds, $886,702,000 and 2,444 full-time equivalent positions from Federal funds, and $42,887,000 and 69 full-time equivalent positions from other funds): *Provided,* That $21,089,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: *Provided further,* That a Peer Review Committee shall be established to review medical payments and the type of service received by a disability compensation claimant: *Provided further,* That the District of Columbia shall not provide free government services such as water, sewer, solid waste disposal or collection, utilities, maintenance, repairs, or similar services to any legally constituted private nonprofit organization (as defined in section 411(5) of Public Law 100–77, approved July 22, 1987) providing emergency shelter services in the District, if the District would not be qualified to receive reimbursement pursuant to the Stewart B. McKinney Homeless Assistance Act, approved July 22, 1987 (101 Stat. 485; Public Law 100–77; 42 U.S.C. 11301 et seq.).

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and leasing of passenger-carrying vehicles $241,934,000 and 1,292 full-time equivalent positions (including $227,983,000 and 1,162 full-time equivalent positions from local funds, $3,350,000 and 51 full-time equivalent positions from Federal funds, and $10,601,000 and 79 full-time equivalent positions from other funds): *Provided,* That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business*: Provided further,* That $3,000,000 shall be available for the lease financing, operation, and maintenance of two mechanical street sweepings, one flusher truck, 5 packer trucks, one front-end loader, and various public litter containers: *Provided further,* That $2,400,000 shall be available for recycling activities.

WASHINGTON CONVENTION CENTER FUND TRANSFER PAYMENT

For payment to the Washington Convention Center Enterprise Fund, $5,400,000 from local funds.

REPAYMENT OF LOANS AND INTEREST

For reimbursement to the United States of funds loaned in compliance with An Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, approved August 7, 1946 (60 Stat. 896; Public Law 79–648); section 1 of An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85–451; D.C. Code, sec. 9–219); section 4 of An Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system, approved June 12, 1960 (74 Stat. 211; Public Law 86–515); sections 723 and 743(f) of the District of Columbia Home Rule Act of 1973, approved December 24, 1973, as amended (87 Stat. 821; Public Law 93–198; D.C. Code, sec. 47–321, note; 91 Stat. 1156; Public Law 95–131; D.C. Code, sec. 9–219, note), including interest as required thereby, $366,976,000 from local funds.

REPAYMENT OF GENERAL FUND RECOVERY DEBT

For the purpose of eliminating the $331,589,000 general fund accumulated deficit as of September 30, 1990, $39,020,000 from local funds, as authorized by section 461(a) of the District of Columbia Home Rule Act, approved December 24, 1973, as amended (105 Stat. 540; Public Law 102–106; D.C. Code, sec. 47–321(a)(1)).

PAYMENT OF INTEREST ON SHORT-TERM BORROWING

For payment of interest on short-term borrowing, $12,000,000 from local funds.

CERTIFICATES OF PARTICIPATION

For lease payments in accordance with the Certificates of Participation involving the land site underlying the building located at One Judiciary Square, $7,923,000.

HUMAN RESOURCES DEVELOPMENT

For Human resources development, including costs of increased employee training, administrative reforms, and an executive compensation system, $6,000,000.

MANAGEMENT REFORM AND PRODUCTIVITY FUND

For the Management Reform and Productivity Fund, $5,000,000, to improve management and service delivery in the District of Columbia.

CRITICAL IMPROVEMENTS AND REPAIRS TO SCHOOL FACILITIES AND STREETS

For expenditures for immediate, one-time critical improvements and repairs to school facilities (including roof, boiler, and chiller renovation or replacement) and for neighborhood and other street repairs, to be completed not later than August 1, 1998, $30,000,000, to be derived from current local general fund operating revenues, to be expended on a pay-as-you-go basis.

DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY

For the District of Columbia Financial Responsibility and Management Assistance Authority, established by section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 97; Public Law 104–8), $3,220,000.

WATER AND SEWER AUTHORITY AND THE WASHINGTON AQUEDUCT

For the Water and Sewer Authority and the Washington Aqueduct, $297,310,000 from other funds (including $263,425,000 for the Water and Sewer Authority and $33,885,000 for the Washington Aqueduct) of which $41,423,000 shall be apportioned and payable to the District's debt service fund for repayment of loans and interest incurred for capital improvement projects.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriation Act for the fiscal year ending September 30, 1982, approved December 4, 1981 (95 Stat. 1174, 1175; Public Law 97–91), as amended, for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3–172; D.C. Code, secs. 2–2501 et seq. and 22–1516 et seq.), $213,500,000 and 100 full-time equivalent positions (including $7,850,000 and 100 full-time equivalent positions for administrative expenses and $205,650,000 for non-administrative expenses from revenue generated by the Lottery Board), to be derived from non-Federal District of Columbia revenues: *Provided,* That the District of Columbia shall identify the source of funding for this appropriation title from the District's own locally-generated revenues: *Provided further,* That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

CABLE TELEVISION ENTERPRISE FUND

For the Cable Television Enterprise Fund, established by the Cable Television Communications Act of 1981, effective October 22, 1983 (D.C. Law 5–36; D.C. Code, sec. 43–1801 et seq.), $2,467,000 and 8 full-time equivalent positions (including $2,135,000 and 8 full-time equivalent positions from local funds and $332,000 from other funds).

PUBLIC SERVICE COMMISSION

For the Public Service Commission, $4,547,000 (including $4,250,000 from local funds, $117,000 from Federal funds, and $180,000 for other funds).

OFFICE OF THE PEOPLE'S COUNSEL

For the Office of the People's Counsel, $2,428,000 from local funds.

DEPARTMENT OF INSURANCE AND SECURITIES REGULATION

For the Department of Insurance and Securities Regulation, $5,683,000 and 89 full-time equivalent positions from other funds.

OFFICE OF BANKING AND FINANCIAL INSTITUTIONS

For the Office of Banking and Financial Institutions, $600,000 (including $100,000 from local funds and $500,000 from other funds).

STARPLEX FUND

For the Starplex Fund, $5,936,000 from other funds for expenses incurred by the Armory Board in the exercise of its powers granted by An Act To Establish A District of Columbia Armory Board, and for other purposes, approved June 4, 1948 (62 Stat. 339; D.C. Code, sec. 2–301 et seq.) and the District of Columbia Stadium Act of 1957, approved September 7, 1957 (71 Stat. 619; Public Law 85–300; D.C. Code, sec. 2–321 et seq.): *Provided,* That the Mayor shall submit a budget for the Armory Board for the forthcoming fiscal year as required by section 442(b) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 824; Public Law 93–198; D.C. Code, sec. 47–301(b)).

D.C. GENERAL HOSPITAL

For the District of Columbia General Hospital, established by Reorganization Order

No. 57 of the Board of Commissioners, effective August 15, 1953, $103,934,000 of which $44,335,000 shall be derived by transfer from the general fund and $59,599,000 shall be derived from other funds.

D.C. RETIREMENT BOARD

For the D.C. Retirement Board, established by section 121 of the District of Columbia Retirement Reform Act of 1979, approved November 17, 1979 (93 Stat. 866; D.C. Code, sec. 1–711), $4,898,000 and 8 full-time equivalent positions from the earnings of the applicable retirement funds to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: *Provided,* That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further,* That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an itemized accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report.

CORRECTIONAL INDUSTRIES FUND

For the Correctional Industries Fund, established by the District of Columbia Correctional Industries Establishment Act, approved October 3, 1964 (78 Stat. 1000; Public Law 88–622), $3,332,000 and 50 full-time equivalent positions from other funds.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

For the Washington Convention Center Enterprise Fund, $46,400,000 of which $5,400,000 shall be derived by transfer from the general fund.

CAPITAL OUTLAY

For construction projects, $269,330,000 (including $105,485,000 from local funds, $31,100,000 from the highway trust fund, and $132,745,000 in Federal funds), as authorized by An Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58–140; D.C. Code, secs. 43–1512 through 43–1519); the District of Columbia Public Works Act of 1954, approved May 18, 1954 (68 Stat. 101; Public Law 83–364); An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85–451); including acquisition of sites, preparation of plans and specifications, conducting preliminary surveys, erection of structures, including building improvement and alteration and treatment of grounds, to remain available until expended: *Provided,* That funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: *Provided further,* That all funds provided by this appropriation title shall be available only for the specific projects and purposes intended: *Provided further,* That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968, approved August 23, 1968 (82 Stat. 827; Public Law 90–495; D.C. Code, sec. 7–134, note), for which funds are provided by this appropriation title, shall expire on September 30, 1999, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 1999: *Provided further,* That upon expiration of any such project authorization the funds provided herein for the project shall lapse: *Provided further,* That the District has approved projects to finance capital related items, such as vehicles and heavy equipment, through a master lease purchase program. The District will finance $13,052,000 of its equipment needs up to a 5 year-period. The fiscal year 1998 operating budget includes a total of $3,741,000 for the debt associated with the lease purchase.

GENERAL PROVISIONS

SEC. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act, an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately-owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided,* That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101–7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided,* That the Council of the District of Columbia and the District of Columbia Courts may expend such funds without authorization by the Mayor.

SEC. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided,* That nothing contained in this section shall be construed as modifying or affecting the provision of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, approved March 31, 1956 (70 Stat. 78; Public Law 84–460; D.C. Code, sec. 47–1812.11(c)(3)).

SEC. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4–101; D.C. Code, sec. 3–205.44), and for the non-Federal share of funds necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968, approved July 31, 1968 (82 Stat. 462; Public Law 90–445; 42 U.S.C. 3801 et seq.).

SEC. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 109. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 110. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the Subcommittee on the District of Columbia of the House Committee on Government Reform and Oversight, the Subcommittee on Oversight of Government Management and the District of Columbia of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative.

SEC. 111. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Law 2–20; D.C. Code, sec. 47–421 et seq.).

SEC. 112. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 113. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided,* That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowings and spending progress compared with projections.

SEC. 114. The Mayor shall not borrow any funds for capital projects unless the Mayor has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 115. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 116. None of the funds appropriated by this Act may be obligated or expended by reprogramming except pursuant to advance approval of the reprogramming granted according to the procedure set forth in the Joint Explanatory Statement of the Committee of Conference (House Report No. 96–443), which accompanied the District of Columbia Appropriation Act, 1980, approved October 30, 1979 (93 Stat. 713; Public Law 96–93), as modified in House Report No. 98–265, and in accordance with the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3–100; D.C. Code, sec. 47–361 et seq.): *Provided,* That for the fiscal year ending September 30, 1998 the above shall apply except as modified by Public Law 104–8.

SEC. 117. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia.

SEC. 118. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980, approved October 10, 1980 (94 Stat. 1824; Public Law 96–425; 15 U.S.C. 2001(2)), with an Environmental Protection

Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided,* That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 119. (a) Notwithstanding section 422(7) of the District of Columbia Home Rule Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for Level IV of the Executive Schedule under 5 U.S.C. 5315.

(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the Mayor under subsection (a) of this section for any position for any period during the last quarter of calendar year 1997 shall be deemed to be the rate of pay payable for that position for September 30, 1997.

(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945, approved August 2, 1946 (60 Stat. 793; Public Law 79–592; D.C. Code, sec. 5–803(a)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.

SEC. 120. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2–139; D.C. Code, sec. 1–601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Home Rule Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided,* That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5, United States Code.

SEC. 121. The Director of the Department of Administrative Services may pay rentals and repair, alter, and improve rented premises, without regard to the provisions of section 322 of the Economy Act of 1932 (Public Law 72–212; 40 U.S.C. 278a), based upon a determination by the Director, that by reason of circumstances set forth in such determination, the payment of these rents and the execution of this work, without reference to the limitations of section 322, is advantageous to the District in terms of economy, efficiency, and the District's best interest.

SEC. 122. No later than 30 days after the end of the first quarter of the fiscal year ending September 30, 1998, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 1998 revenue estimates as of the end of the first quarter of fiscal year 1998. These estimates shall be used in the budget request for the fiscal year ending September 30, 1999. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 123. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6–85; D.C. Code, sec. 1–1183.3), except that the District of Columbia Public Schools may renew or extend sole source contracts for which competition is not feasible or practical, provided that the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated Emergency Transitional Education Board of Trustees rules and procedures.

SEC. 124. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99–177), as amended, the term ''program, project, and activity'' shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act, and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: *Provided,* That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99–177), as amended.

SEC. 125. In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99–177), as amended, after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: *Provided,* That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act that are not specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99–177), as amended.

SEC. 126. Nothing in this Act shall be construed to authorize any office, agency or entity to expend funds for programs or functions for which a reorganization plan is required but has not been approved by the Council pursuant to section 422(12) of the District of Columbia Home Rule Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(12)) and the Governmental Reorganization Procedures Act of 1981, effective October 17, 1981 (D.C. Law 4–42; D.C. Code, secs. 1–299.1 to 1–299.7). Appropriations made by this Act for such programs or functions are conditioned on the approval by the Council of the required reorganization plans.

SEC. 127. (a) An entity of the District of Columbia government may accept and use a gift or donation during fiscal year 1998 if—

(1) the Mayor approves the acceptance and use of the gift or donation: *Provided,* That the Council of the District of Columbia may accept and use gifts without prior approval by the Mayor; and

(2) the entity uses the gift or donation to carry out its authorized functions or duties.

(b) Each entity of the District of Columbia government shall keep accurate and detailed records of the acceptance and use of any gift or donation under subsection (a) of this section, and shall make such records available for audit and public inspection.

(c) For the purposes of this section, the term ''entity of the District of Columbia government'' includes an independent agency of the District of Columbia.

(d) This section shall not apply to the District of Columbia Board of Education, which may, pursuant to the laws and regulations of the District of Columbia, accept and use gifts to the public schools without prior approval by the Mayor.

SEC. 128. None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representative under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979, effective March 10, 1981 (D.C. Law 3–171; D.C. Code, sec. 1–113(d)).

PROHIBITION AGAINST USE OF FUNDS FOR ABORTIONS

SEC. 129. None of the funds appropriated under this Act shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

PROHIBITION ON DOMESTIC PARTNERS ACT

SEC. 130. None of the funds made available in this Act may be used to implement or enforce the Health Care Benefits Expansion Act of 1992 (D.C. Law 9–114; D.C. Code, sec. 36–1401 et seq.) or to otherwise implement or enforce any system of registration of unmarried, cohabiting couples (whether homosexual, heterosexual, or lesbian), including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis as such benefits are extended to legally married couples.

MONTHLY REPORTING REQUIREMENTS—PUBLIC SCHOOLS

SEC. 131. The Emergency Transitional Education Board of Trustees shall submit to the Congress, the Mayor, the District of Columbia Financial Responsibility and Management Assistance Authority, and the Council of the District of Columbia no later than fifteen (15) calendar days after the end of each month a report that sets forth—

(1) current month expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections vs. budget broken out on the basis of control center, responsibility center, agency reporting code, and object class, and for all funds, including capital financing;

(2) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and agency reporting code, and for all funding sources;

(3) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged broken out on the basis of control center, responsibility center, and agency reporting code; and contract identifying codes used by the D.C. Public Schools; payments made in the last month and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(4) all reprogramming requests and reports that are required to be, and have been, submitted to the Board of Education; and

(5) changes made in the last month to the organizational structure of the D.C. Public Schools, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

MONTHLY REPORTING REQUIREMENTS

UNIVERSITY OF THE DISTRICT OF COLUMBIA

SEC. 132. The University of the District of Columbia shall submit to the Congress, the Mayor, the District of Columbia Financial Responsibility and Management Assistance Authority, and the Council of the District of Columbia no later than fifteen (15) calendar days after the end of each month a report that sets forth—

(1) current month expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget broken out on the basis of control center, responsibility center, and object class, and for all funds, non-appropriated funds, and capital financing;

(2) a list of each account for which spending is frozen and the amount of funds frozen,

broken out by control center, responsibility center, detailed object, and for all funding sources;

(3) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged broken out on the basis of control center and responsibility center, and contract identifying codes used by the University of the District of Columbia; payments made in the last month and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(4) all reprogramming requests and reports that have been made by the University of the District of Columbia within the last month in compliance with applicable law; and

(5) changes made in the last month to the organizational structure of the University of the District of Columbia, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

ANNUAL REPORTING REQUIREMENTS

SEC. 133. (a) IN GENERAL.—The Emergency Transitional Education Board of Trustees of the District of Columbia and the University of the District of Columbia shall annually compile an accurate and verifiable report on the positions and employees in the public school system and the university, respectively. The annual report shall set forth—

(1) the number of validated schedule A positions in the District of Columbia Public Schools and the University of the District of Columbia for fiscal year 1996, fiscal year 1997, and thereafter on a full-time equivalent basis, including a compilation of all positions by control center, responsibility center, funding source, position type, position title, pay plan, grade, and annual salary; and

(2) a compilation of all employees in the District of Columbia Public Schools and the University of the District of Columbia as of the preceding December 31, verified as to its accuracy in accordance with the functions that each employee actually performs, by control center, responsibility center, agency reporting code, program (including funding source), activity, location for accounting purposes, job title, grade and classification, annual salary, and position control number.

(b) SUBMISSION.—The annual report required by subsection (a) of this section shall be submitted to the Congress, the Mayor, the District of Columbia Council, the Consensus Commission, and the Authority, not later than February 15 of each year.

ANNUAL BUDGETS AND BUDGET REVISIONS

SEC. 134. (a) No later than October 1, 1997, or within 15 calendar days after the date of the enactment of the District of Columbia Appropriations Act, 1998, whichever occurs later, and each succeeding year, the Emergency Transitional Education Board of Trustees and the University of the District of Columbia shall submit to the appropriate congressional committees, the Mayor, the District of Columbia Council, the Consensus Commission, and the District of Columbia Financial Responsibility and Management Assistance Authority, a revised appropriated funds operating budget for the public school system and the University of the District of Columbia for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other-than-personal services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the Emergency Transitional Education Board of Trustees and the University of the District of Columbia submit to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia pursuant to section 442 of the District of Columbia Home Rule Act, Public Law 93–198, as amended (D.C. Code, sec. 47–301).

EDUCATIONAL BUDGET APPROVAL

SEC. 135. The Emergency Transitional Education Board of Trustees, the Board of Trustees of the University of the District of Columbia, the Board of Library Trustees, and the Board of Governors of the D.C. School of Law shall vote on and approve their respective annual or revised budgets before submission to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia in accordance with section 442 of the District of Columbia Home Rule Act, Public Law 93–198, as amended (D.C. Code, sec. 47–301), or before submitting their respective budgets directly to the Council.

PUBLIC SCHOOL EMPLOYEE EVALUATIONS

SEC. 136. Notwithstanding any other provision of law, rule, or regulation, the evaluation process and instruments for evaluating District of Columbia Public Schools employees shall be a non-negotiable item for collective bargaining purposes.

SEC. 137. (a) Notwithstanding any other provision of law, rule, or regulation, an employee of the District of Columbia Public Schools shall be—

(1) classified as an Educational Service employee;

(2) placed under the personnel authority of the Board of Education; and

(3) subject to all Board of Education rules.

(b) School-based personnel shall constitute a separate competitive area from nonschool-based personnel who shall not compete with school-based personnel for retention purposes.

MISCELLANEOUS PROVISIONS RELATING TO DISTRICT OF COLUMBIA EMPLOYEES

SEC. 138. (a) RESTRICTIONS ON USE OF OFFICIAL VEHICLES.—(1) None of the funds made available by this Act or by any other Act may be used to provide any officer or employee of the District of Columbia with an official vehicle unless the officer or employee uses the vehicle only in the performance of the officer's or employee's official duties. For purposes of this paragraph, the term ''official duties'' does not include travel between the officer's or employee's residence and workplace (except in the case of a police officer who resides in the District of Columbia).

(2) The Chief Financial Officer of the District of Columbia shall submit, by December 15, 1997, an inventory, as of September 30, 1997, of all vehicles owned, leased or operated by the District of Columbia government. The inventory shall include, but not be limited to, the department to which the vehicle is assigned; the year and make of the vehicle; the acquisition date and cost; the general condition of the vehicle; annual operating and maintenance costs; current mileage; and whether the vehicle is allowed to be taken home by a District officer or employee and if so, the officer or employee's title and resident location.

(b) SOURCE OF PAYMENT FOR EMPLOYEES DETAILED WITHIN GOVERNMENT.—For purposes of determining the amount of funds expended by any entity within the District of Columbia government during fiscal year 1998 and each succeeding fiscal year, any expenditures of the District government attributable to any officer or employee of the District government who provides services which are within the authority and jurisdiction of the entity (including any portion of the compensation paid to the officer or employee attributable to the time spent in providing such services) shall be treated as expenditures made from the entity's budget, without regard to whether the officer or employee is assigned to the entity or otherwise treated as an officer or employee of the entity.

(c) MODIFICATION OF REDUCTION IN FORCE PROCEDURES.—The District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Code, sec. 1–601.1 et seq.), as amended by section 140(b) of the District of Columbia Appropriations Act, 1997 (Public Law 104–194), is amended by adding at the end the following new section:

''SEC. 2408. ABOLISHMENT OF POSITIONS FOR FISCAL YEAR 1998.

''(a) Notwithstanding any other provision of law, regulation, or collective bargaining agreement either in effect or to be negotiated while this legislation is in effect for the fiscal year ending September 30, 1998, each agency head is authorized, within the agency head's discretion, to identify positions for abolishment.

''(b) Prior to February 1, 1998, each personnel authority (other than a personnel authority of an agency which is subject to a management reform plan under subtitle B of title XI of the Balanced Budget Act of 1997) shall make a final determination that a position within the personnel authority is to be abolished.

''(c) Notwithstanding any rights or procedures established by any other provision of this title, any District government employee, regardless of date of hire, who encumbers a position identified for abolishment shall be separated without competition or assignment rights, except as provided in this section.

''(d) An employee affected by the abolishment of a position pursuant to this section who, but for this section would be entitled to compete for retention, shall be entitled to one round of lateral competition pursuant to Chapter 24 of the District of Columbia Personnel Manual, which shall be limited to positions in the employee's competitive level.

''(e) Each employee who is a bona fide resident of the District of Columbia shall have added 5 years to his or her creditable service for reduction-in-force purposes. For purposes of this subsection only, a nonresident District employee who was hired by the District government prior to January 1, 1980, and has not had a break in service since that date, or a former employee of the United States Department of Health and Human Services at Saint Elizabeths Hospital who accepted employment with the District government on October 1, 1987, and has not had a break in service since that date, shall be considered a District resident.

''(f) Each employee selected for separation pursuant to this section shall be given written notice of at least 30 days before the effective date of his or her separation.

''(g) Neither the establishment of a competitive area smaller than an agency, nor the determination that a specific position is to be abolished, nor separation pursuant to this section shall be subject to review except that—

''(1) an employee may file a complaint contesting a determination or a separation pursuant to title XV of this Act or section 303 of the Human Rights Act of 1977 (D.C. Code, sec. 1–2543); and

''(2) an employee may file with the Office of Employee Appeals an appeal contesting that the separation procedures of subsections (d) and (f) were not properly applied.

''(h) An employee separated pursuant to this section shall be entitled to severance

pay in accordance with title XI of this Act, except that the following shall be included in computing creditable service for severance pay for employees separated pursuant to this section—

''(1) four years for an employee who qualified for veterans preference under this Act, and

''(2) three years for an employee who qualified for residency preference under this Act.

''(i) Separation pursuant to this section shall not affect an employee's rights under either the Agency Reemployment Priority Program or the Displaced Employee Program established pursuant to Chapter 24 of the District Personnel Manual.

''(j) With respect to agencies which are not subject to a management reform plan under subtitle B of title XI of the Balanced Budget Act of 1997, the Mayor shall submit to the Council a listing of all positions to be abolished by agency and responsibility center by March 1, 1998 or upon the delivery of termination notices to individual employees.

''(k) Notwithstanding the provisions of section 1708 or section 2402(d), the provisions of this Act shall not be deemed negotiable.

''(l) A personnel authority shall cause a 30-day termination notice to be served, no later than September 1, 1998, on any incumbent employee remaining in any position identified to be abolished pursuant to subsection (b) of this section.

''(m) In the case of an agency which is subject to a management reform plan under subtitle B of title XI of the Balanced Budget Act of 1997, the authority provided by this section shall be exercised to carry out the agency's management reform plan, and this section shall otherwise be implemented solely in a manner consistent with such plan.''.

(d) RESTRICTING PROVIDERS FROM WHOM EMPLOYEES MAY RECEIVE DISABILITY COMPENSATION SERVICES.—

(1) IN GENERAL.—Section 2303(a) of the District of Columbia Comprehensive Merit Personnel Act of 1978 (D.C. Code, sec. 1–624.3(a)) is amended by striking paragraph (3) and all that follows and inserting the following:

''(3) By or on the order of the District of Columbia government medical officers and hospitals, or by or on the order of a physician or managed care organization designated or approved by the Mayor.''.

(2) SERVICES FURNISHED.—Section 2303 of such Act (D.C. Code, sec. 1–624.3) is amended by adding at the end the following new subsection:

''(c)(1) An employee to whom services, appliances, or supplies are furnished pursuant to subsection (a) shall be provided with such services, appliances, and supplies (including reasonable transportation incident thereto) by a managed care organization or other health care provider designated by the Mayor, in accordance with such rules, regulations, and instructions as the Mayor considers appropriate.

''(2) Any expenses incurred as a result of furnishing services, appliances, or supplies which are authorized by the Mayor under paragraph (1) shall be paid from the Employees' Compensation Fund.

''(3) Any medical service provided pursuant to this subsection shall be subject to utilization review under section 2323.''.

(3) REPEAL PENALTY FOR DELAYED PAYMENT OF COMPENSATION.—Section 2324 of such Act (D.C. Code, sec. 1–624.24) is amended by striking subsection (c).

(4) DEFINITIONS.—Section 2301 of such Act (D.C. Code, sec. 1–624.1) is amended—

(A) in the first sentence of subsection (c), by inserting ''and as designated by the Mayor to provide services to injured employees'' after ''State law''; and

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

''(r)(1) The term 'managed care organization' means an organization of physicians and allied health professionals organized to and capable of providing systematic and comprehensive medical care and treatment of injured employees which is designated by the Mayor to provide such care and treatment under this title.

''(2) The term 'allied health professional' means a medical care provider (including a nurse, physical therapist, laboratory technician, X-ray technician, social worker, or other provider who provides such care within the scope of practice under applicable law) who is employed by or affiliated with a managed care organization.''.

(5) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to services, supplies, or appliances furnished under title XXIII of the District of Columbia Merit Personnel Act of 1978 on or after the date of the enactment of this Act.

(e) APPLICATION OF BINDING ARBITRATION PROCEDURES UNDER NEW PERSONNEL RULES.—

(1) IN GENERAL.—Section 11105(b)(3) of the Balanced Budget Act of 1997 is amended in the matter preceding subparagraph (A) by striking ''pursuant'' and inserting ''in accordance with binding arbitration procedures in effect under a collective bargaining agreement, or pursuant''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect as if included in the enactment of the Balanced Budget Act of 1997.

CEILING ON OPERATING EXPENSES AND DEFICIT

SEC. 139. (a) CEILING ON TOTAL OPERATING EXPENSES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the total amount appropriated in this Act for operating expenses for the District of Columbia for fiscal year 1998 under the caption ''DIVISION OF EXPENSES'' may not exceed the lesser of—

(A) the sum of the total revenues of the District of Columbia for such fiscal year less $192,741,000; or

(B) $4,493,375,000 (excluding intra-District funds of $118,269,000) of which $2,655,232,000 is from local funds; $1,072,572,000 is from Federal grants; and $765,571,000 in private and other funds.

(2) ENFORCEMENT.—The Chief Financial Officer of the District of Columbia and the District of Columbia Financial Responsibility and Management Assistance Authority (hereafter in this section referred to as the ''Authority'') shall take such steps as are necessary to assure that the District of Columbia meets the requirements of this section, including the apportioning or reprogramming by the Chief Financial Officer of the appropriations and funds made available to the District during fiscal year 1998, except that the Chief Financial Officer may not reprogram for operating expenses any funds derived from bonds, notes, or other obligations issued for capital projects.

(b) ACCEPTANCE AND USE OF GRANTS NOT INCLUDED IN CEILING.—

(1) IN GENERAL.—Notwithstanding subsection (a), the Mayor of the District of Columbia may accept, obligate, and expend Federal, private, and other grants received by the District government that are not reflected in the amounts appropriated in this Act.

(2) REQUIREMENT OF CHIEF FINANCIAL OFFICER REPORT AND AUTHORITY APPROVAL.—No such Federal, private, or other grant may be accepted, obligated, or expended pursuant to paragraph (1) until—

(A) the Chief Financial Officer of the District submits to the Authority a report setting forth detailed information regarding such grant; and

(B) the Authority has reviewed and approved the acceptance, obligation, and expenditure of such grant in accordance with review and approval procedures consistent with the provisions of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

(3) PROHIBITION ON SPENDING IN ANTICIPATION OF APPROVAL OR RECEIPT.—No amount may be obligated or expended from the general fund or other funds of the District government in anticipation of the approval or receipt of a grant under paragraph (2)(B) or in anticipation of the approval or receipt of a Federal, private, or other grant not subject to such paragraph.

(4) MONTHLY REPORTS.—The Chief Financial Officer of the District of Columbia shall prepare a monthly report setting forth detailed information regarding all Federal, private, and other grants subject to this subsection. Each such report shall be submitted to the Council of the District of Columbia, and to the Committees on Appropriations of the House of Representatives and the Senate, not later than 15 days after the end of the month covered by the report.

(c) PROHIBITING USE OF NON-APPROPRIATED FUNDS BY CERTAIN ENTITIES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the District of Columbia Financial Responsibility and Management Assistance Authority and the District of Columbia Water and Sewer Authority may not obligate or expend any funds during fiscal year 1998 or any succeeding fiscal year without approval by Act of Congress.

(2) REPORT ON EXPENDITURES BY FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY.—Not later than November 15, 1997, the District of Columbia Financial Responsibility and Management Assistance Authority shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Government Reform and Oversight of the House, and the Committee on Governmental Affairs of the Senate providing an itemized accounting of all non-appropriated funds obligated or expended by the Authority at any time prior to October 1, 1997. The report shall include information on the date, amount, purpose, and vendor name, and a description of the services or goods provided with respect to the expenditures of such funds.

(3) EFFECT OF EXPENDITURE OF NON-APPROPRIATED FUNDS.—Any obligation of funds by any officer or employee of the District of Columbia government (including any member, officer or employee of the District of Columbia Financial Responsibility and Management Assistance Authority) in violation of the fourth sentence of section 446 of the District of Columbia Home Rule Act shall have no legal effect, and the officer or employee involved shall be removed from office and personally liable for any amounts owed as a result of such obligation.

POWERS AND DUTIES OF CHIEF FINANCIAL OFFICER

SEC. 140. (a) CLARIFICATION OF AUTHORITY OVER FINANCIAL PERSONNEL.—

(1) IN GENERAL.—Section 424(a) of the District of Columbia Home Rule Act (D.C. Code, sec. 47–317.1) is amended—

(A) in paragraph (2), by striking '', who shall be appointed'' and all that follows through ''direction and control''; and

(B) by striking paragraph (4) and inserting the following:

''(4) AUTHORITY OVER FINANCIAL PERSONNEL.—

''(A) IN GENERAL.—Notwithstanding any other provision of law or regulation (including any law or regulation providing for collective bargaining or the enforcement of any

collective bargaining agreement), the heads and all personnel of the offices described in subparagraph (B), together with all other District of Columbia accounting, budget, and financial management personnel (including personnel of independent agencies but not including personnel of the legislative or judicial branches of the District government) shall be appointed by, shall serve at the pleasure of, and shall act under the direction and control of the Chief Financial Officer, and shall be considered at-will employees not covered by the District of Columbia Government Comprehensive Merit Personnel Act of 1978.

''(B) OFFICES DESCRIBED.—The offices referred to in this subparagraph are as follows:

''(i) The Office of the Treasurer (or any successor office).

''(ii) The Controller of the District of Columbia (or any successor office).

''(iii) The Office of the Budget (or any successor office).

''(iv) The Office of Financial Information Services (or any successor office).

''(v) The Department of Finance and Revenue (or any successor office).

''(vi) During a control year, the District of Columbia Lottery and Charitable Games Control Board (or any successor office).

''(C) REMOVAL OF PERSONNEL BY AUTHORITY.—In addition to the power of the Chief Financial Officer to remove any of the personnel covered under this paragraph, the Authority may remove any such personnel for cause, after written consultation with the Mayor and the Chief Financial Officer.''.

(2) CONFORMING AMENDMENTS.—(A) Section 152(a) of the District of Columbia Appropriations Act, 1996 (Public Law 104–134; 110 Stat. 1321-102) is hereby repealed.

(B) Section 142(a) of the District of Columbia Appropriations Act, 1997 (Public Law 104–194; 110 Stat. 2375) is hereby repealed.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the enactment of the District of Columbia Appropriations Act, 1996, except that the amendment made by paragraph (2)(B) shall take effect as if included in the enactment of the District of Columbia Appropriations Act, 1997.

(b) PERSONNEL AUTHORITY UNDER MANAGEMENT REFORM PLANS.—

(1) IN GENERAL.—Section 11105(b) of the Balanced Budget Act of 1997 is amended—

(A) in paragraph (1), by striking ''paragraph (3)'' and inserting ''paragraphs (3) and (4)''; and

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

''(4) EXCEPTION FOR PERSONNEL UNDER DIRECTION AND CONTROL OF CHIEF FINANCIAL OFFICER.—This subsection shall not apply with respect to any personnel who are appointed by, serve at the pleasure of, and act under the direction and control of the Chief Financial Officer of the District of Columbia pursuant to section 424(a)(4) of the District of Columbia Home Rule Act.''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect as if included in the enactment of section 11105(b) of the Balanced Budget Act of 1997.

(c) MONTHLY REPORTS ON REVENUES AND EXPENDITURES; INCLUSION OF INFORMATION ON ALL ENTITIES OF DISTRICT GOVERNMENT.—Section 424(d) of the District of Columbia Home Rule Act (D.C. Code, sec. 47–317.4) is amended by adding at the end the following new paragraphs:

''(8) Preparing monthly reports containing the following information (and submitting such reports to Congress, the Council, the Mayor, and the Authority not later than the 21st day of the month following the month covered by the report):

''(A) The cash flow of the District government, including a statement of funds received and disbursed for all standard categories of revenues and expenses.

''(B) The revenues and expenditures of the District government, including a comparison of the amounts projected for such revenues and expenditures in the annual budget for the fiscal year involved with actual revenues and expenditures during the month.

''(C) The obligations of funds made by or on behalf of the District government, together with a statement of accounts payable and the disbursements paid towards such accounts during the month and during the fiscal year involved.

''(9) Ensuring that any regular report on the status of the funds of the District government prepared by the Chief Financial Officer includes information on the funds of all entities within the District government (including funds in any accounts of the Authority and interest earned on such accounts).''.

(d) CLARIFICATION OF GROUNDS FOR REMOVAL FROM OFFICE.—Section 424(b)(2) of the District of Columbia Home Rule Act (D.C. Code, sec. 47–317.2(2)) is amended by adding at the end the following new subparagraph:

''(C) CONSULTATION WITH CONGRESS.—The Authority or the Mayor (whichever is applicable) may not remove the Chief Financial Officer under this paragraph unless the Authority or the Mayor (as the case may be) has consulted with Congress prior to the removal. Such consultation shall include at a minimum the submission of a written statement to the Committees on Appropriations of the Senate and the House of Representatives, the Committee on Government Reform and Oversight of the House of Representatives, and the Committee on Governmental Affairs of the Senate, explaining the factual circumstances involved.''.

POLICE AND FIRE FIGHTER DISABILITY RETIREMENTS

SEC. 141. (a) DETERMINATIONS OF DISABILITY STATUS.—Notwithstanding any other provisions of the District of Columbia Retirement Reform Act or any other law, rule, or regulation, for purposes of any retirement program of the District of Columbia for teachers, members of the Metropolitan Police Department, or members of the Fire Department, no individual may have disability status unless the determination of the individual's disability status is made by a single entity designated by the District to make such determinations (or, if the determination is made by any other person, if such entity approves the determination).

(b) ANALYSIS BY ENROLLED ACTUARY OF IMPACT OF DISABILITY RETIREMENTS.—Not later than January 1, 1998, and every 6 months thereafter, the Mayor of the District of Columbia shall engage an enrolled actuary (to be paid by the District of Columbia Retirement Board) to provide an analysis of the actuarial impact of disability retirements occurring during the previous 6-month period on the police and fire fighter retirement programs of the District of Columbia.

SEC. 142. (a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a–10c).

(b) SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products to the greatest extent practicable.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each agency of the Federal or District of Columbia government shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ''Made in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

BUDGETS OF DEPARTMENTS OR AGENCIES SUBJECT TO COURT-APPOINTED ADMINISTRATOR

SEC. 143. If a department or agency of the government of the District of Columbia is under the administration of a court-appointed receiver or other court-appointed official during fiscal year 1998 or any succeeding fiscal year, the receiver or official shall prepare and submit to the Mayor, for inclusion in the annual budget of the District of Columbia for the year, annual estimates of the expenditures and appropriations necessary for the maintenance and operation of the department or agency. All such estimates shall be forwarded by the Mayor to the Council, for its action pursuant to sections 446 and 603(c) of the District of Columbia Home Rule Act, without revision but subject to the Mayor's recommendations. Notwithstanding any provision of the District of Columbia Home Rule Act, the Council may comment or make recommendations concerning such annual estimates but shall have no authority under such Act to revise such estimates.

''SPECIAL MASTERS' BUDGETS

''SEC. 445B. All Special Masters appointed by the District of Columbia Superior Court or the United States District Court for the District of Columbia to any agency of the District of Columbia government shall prepare and annually submit to the District of Columbia Financial Responsibility and Management Assistance Authority, for inclusion in the annual budget, annual estimates of expenditures and appropriations. Such annual estimates shall be approved by the District of Columbia Financial Responsibility and Management Assistance Authority and the Council of the District of Columbia pursuant to section 202 of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.''.

(b) CLERICAL AMENDMENT.—The table of sections for subpart 1 of part D of title IV of the District of Columbia Home Rule Act is amended by inserting after the item relating to section 445A the following new item:

''Sec. 445B. Special masters' budgets.''.

COMMENCING OF ADVERSE ACTIONS FOR POLICE

SEC. 144. Section 1601(b–1) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2–139; D.C. Code, sec. 1–617.1(b–1)), is amended as follows:

(a) Paragraph (1) is amended by striking the phrase ''Except as provided in paragraph (2)'' and inserting the phrase ''Except as provided in paragraphs (2) and (3)'' in its place.

(b) A new paragraph (3) is added to read as follows:

''(3) Except as provided in paragraph (2) of this subsection, for members of the Metropolitan Police Department, no corrective or adverse action shall be commenced pursuant to this section more than 120 days, not including Saturdays, Sundays, or legal holidays, after the date that the agency knew or should have known of the act or occurrence allegedly constituting cause, as that term is defined in subsection (d) of this section.''.

NOTICE TO POLICE OFFICERS FOR OUT-OF-SERVICE ASSIGNMENTS

SEC. 145. (a) Notwithstanding any other provision of law or collective bargaining agreement, the Metropolitan Police Department shall change the advance notice that is required to be given to officers for out-of-schedule assignments from 28 days to 14 days.

(b) No officer shall be entitled to overtime for out-of-regular schedule assignments if the Metropolitan Police Department provides the officer with notice of the change in assignment at least 14 days in advance.

SEC. 146. Except as provided in this Act under the heading ''DISTRICT OF COLUMBIA TAXPAYERS RELIEF FUND'', any unused surplus as of the end of the fiscal year shall be used to reduce the District's outstanding accumulated deficit.

RETIREMENT PROGRAMS

SEC. 147. (a) CAP ON STIPENDS OF RETIREMENT BOARD MEMBERS.—Section 121(c)(1) of the District of Columbia Retirement Reform Act (D.C. Code, sec. 1–711(c)(1)) is amended by striking the period at the end and inserting the following: '', and the total amount to which a member may be entitled under this subsection during a year (beginning with 1998) may not exceed $5,000.''.

(b) RESUMPTION OF CERTAIN TERMINATED ANNUITIES PAID TO CHILD SURVIVORS OF DISTRICT OF COLUMBIA POLICE AND FIREFIGHTERS.—

(1) IN GENERAL.—Subsection (k)(5) of the Policemen and Firemen's Retirement and Disability Act (D.C. Code, sec. 4–622(e)) is amended by adding at the end the following new subparagraph:

''(D) If the annuity of a child under subparagraph (A) or subparagraph (B) terminates because of marriage and such marriage ends, the annuity shall resume on the first day of the month in which it ends, but only if the individual is not otherwise ineligible for the annuity.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to any termination of marriage taking effect on or after November 1, 1993, except that benefits shall be payable only with respect to amounts accruing for periods beginning on the first day of the month beginning after the later of such termination of marriage or such date of enactment.

PREMIUM PAY FOR CERTAIN POLICE OFFICERS

SEC. 148. Effective for the first full pay period following the date of the enactment of this Act, the salary of any sworn officer of the Metropolitan Police Department shall be increased by 5 percent if—

(1) the officer performs primarily nonadministrative public safety services; and

(2) the officer is certified by the Chief of the Department as having met the minimum ''Basic Certificate'' standards transmitted by the District of Columbia Financial Responsibility and Management Assistance Authority to Congress by letter dated May 19, 1997, or (if applicable) the minimum standards under any physical fitness and performance standards developed by the Department in consultation with the Authority.

PROHIBITING INCREASE IN WELFARE PAYMENTS

SEC. 149. (a) IN GENERAL.—The Council of the District of Columbia shall have no authority to enact any act, resolution, or rule during a fiscal year which increases the amount of payment which may be for any individual under the Temporary Assistance for Needy Families Program to an amount greater than the amount provided under such program under the District of Columbia Public Assistance Act of 1982, as in effect on the day after the effective date of the Public Assistance Temporary Amendment Act of 1997.

(b) EFFECTIVE DATE.—Subsection shall apply with respect to fiscal year 1998 and each succeeding fiscal year.

SEC. 150. Effective as if included in the enactment of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, section 517 of such Act (110 Stat. 1321–248) is amended by striking ''October 1, 1991'' and inserting ''the date of the enactment of this Act''.

LIENS OF WATER AND SEWER AUTHORITY

SEC. 151. (a) REQUIRING IMPOSITION OF LIEN FOR UNPAID BILLS.—The District of Columbia Water and Sewer Authority shall take action to impose a lien against each commercial property with respect to which any payment owed to the Authority is past due in an aggregate amount equal to or greater than $3,000, but only if the payment is past due for 120 or more consecutive days.

(b) DISPOSITION OF LIENS THROUGH PRIVATE SOURCES.—Beginning January 31, 1998, the District of Columbia Water and Sewer Authority shall dispose of all pending liens imposed for the collection of amounts owned to the Authority by assigning the right to collect under such liens to a private entity in exchange for a cash payment, or by issuing securities secured by such liens.

DEEMED APPROVAL OF CONTRACTS BY AUTHORITY

SEC. 152. Section 203(b) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (D.C. Code, sec. 47–392.3(b)), as amended by section 5203(d) of the Omnibus Consolidated Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009–1456), is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

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

''(5) DEEMED APPROVAL.—

''(A) IN GENERAL.—If the Authority does not notify the Mayor (or the appropriate officer or agent of the District government) that it has determined that a contract or lease submitted under this subsection is consistent with the financial plan and budget or is not consistent with the financial plan and budget during the 30-day period (or, if the Authority meets the requirements of subparagraph (B), such alternative period as the Authority may elect, not to exceed 60 days) which begins on the first day after the Authority receives the contract or lease, the Authority shall be deemed to have determined that the contract or lease is consistent with the financial plan and budget.

''(B) ELECTION OF LONGER PERIOD BY AUTHORITY.—The Authority meets the requirements of this subparagraph if, prior to the expiration of the 30-day period described in subparagraph (A), the Authority provides a notice to the Mayor (or the appropriate officer or agent of the District government) and Congress which describes the period elected by the Authority, together with an explanation of the Authority's decision to elect an alternative period.''.

FINANCIAL MANAGEMENT SYSTEM

SEC. 153. (a) IN GENERAL.—The Chief Financial Officer of the District of Columbia shall enter into a contract with a private entity under which the entity shall carry out the following activities (by contract or otherwise) on behalf of the District of Columbia:

(1) In accordance with the requirements of subsection (b), the establishment and operation of an update of the present financial management system for the government of the District of Columbia by not later than June 30, 1998, to provide for the complete, accurate, and timely input and processing of financial data and the generation of reliable output reports for financial management purposes.

(2) To execute a process in accordance with ''best practice'' procedures of the information technology industry to determine the need, if any, of further improving the updated financial management system in subsection (a).

(b) SPECIFICATIONS FOR SHORT-TERM FINANCIAL MANAGEMENT SYSTEM IMPROVEMENTS.—For purposes of subsection (a)(1), the requirements of this subsection are as follows:

(1) A qualified vendor, in accordance with Office of Management and Budget standards, shall update the District of Columbia government's financial management system in use as of October 1, 1996.

(2) An information technology vendor shall operate the financial data center environment of the District government to ensure that its equipment and operations are compatible with the updated financial management system.

(3) A financial consulting vendor shall carry out an assessment of the District government employees who work with the financial management system, provide training in the operation of the updated system for those who are capable of effectively using the system, and provide recommendations to the Chief Financial Officer regarding those who are not capable of effectively using the system, including recommendations for reassignment or for separation from District government employment.

(c) CERTIFICATION OF POLICIES AND PROCEDURES FOR ACQUISITION OF LONG-TERM FINANCIAL MANAGEMENT SYSTEM IMPROVEMENTS.—

(1) IN GENERAL.—The Chief Financial Officer of the District of Columbia shall enter into a contract with a private entity under which the entity shall conduct an independent assessment to certify whether the District government (including the District of Columbia Financial Responsibility and Management Assistance Authority) has established and implemented policies and procedures that will result in a disciplined approach to the acquisition of a financial management system for the District government, including policies and procedures with respect to such items as—

(A) software acquisition planning,

(B) solicitation,

(C) requirements, development, and management,

(D) project office management,

(E) contract tracking and oversight,

(F) evaluation of products and services provided by the contractor, and

(G) the method that will be used to carry out a successful transition to the delivered system by its users.

(2) MODEL FOR ASSESSMENT.—The independent assessment shall be performed based on the Software Acquisition Capability Maturity Model developed by the Software Engineering Institute or a comparable methodology.

(3) REVIEW OF ASSESSMENT.—A copy of the independent assessment shall be provided to the Comptroller General, the Director of the Office of Management and Budget, and the Inspector General of the District of Columbia, who shall review and prepare a report on the assessment.

(d) RESTRICTIONS ON SPENDING FOR OTHER FINANCIAL MANAGEMENT SYSTEM PROCUREMENT AND DEVELOPMENT.—

(1) IN GENERAL.—None of the funds made available under this or any other Act may be used to improve or replace the financial management system of the government of the District of Columbia (including the procuring of hardware and installation of new software, conversion, testing, and training) until the expiration of the 30-day period which begins on the date the Comptroller General, Director of the Office of Management and Budget, and Inspector General of the District of Columbia submit a report under subsection (c)(3) to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Governmental Reform and Oversight of the House of Representatives, and the Committee on Governmental Affairs of the Senate, which certifies that the District government has established and implemented the policies and procedures described in subsection (c)(1).

(2) EXCEPTIONS.—Paragraph (1) shall not apply to funds used to carry out subsection (a) or to carry out the contract described in subsection (c).

POWERS AND DUTIES OF INSPECTOR GENERAL

SEC. 154. (a) CLARIFICATION OF AUTHORITY TO CONDUCT AUDITS.—

(1) EXCLUSIVE AUTHORITY TO CONTRACT FOR INDEPENDENT ANNUAL AUDIT.—None of the funds made available under this Act or any other Act may be used to carry out any contract to conduct the annual audit of the complete financial statement and report of the activities of the District government for fiscal year 1997 or any succeeding fiscal year unless the contract is entered into by the Inspector General of the District of Columbia.

(2) SCOPE OF AUDITS.—Section 208(a) the District of Columbia Procurement Practices Act of 1985 (sec. 1–1182.8(a), D.C. Code) is amended by adding at the end the following new paragraph:

''(5) The Inspector General may include in any audits conducted pursuant to this subsection (by contract or otherwise) of the activities of the District government such audits of the activities of the Authority as the Inspector General considers appropriate.''.

(6) CLARIFICATION OF GROUNDS FOR REMOVAL FROM OFFICE.—Section 208(a)(1) of such Act (sec. 1–1182.8(a)(1), D.C. Code), as amended by subsection (b), is further amended by adding at the end the following new subparagraph:

''(G) The Authority or the Mayor (whichever is applicable) may not remove the Inspector General under this paragraph unless the Authority or the Mayor (as the case may be) has consulted with Congress prior to the removal. Such consultation shall include at a minimum the submission of a written statement to the Committees on Appropriations of the Senate and the House of Representatives, the Committee on Government Reform and Oversight of the House of Representatives, and the Committee on Governmental Affairs of the Senate, explaining the factual circumstances involved.''.

(c) REQUIRING PLACEMENT OF INSPECTOR GENERAL HOTLINE ON PERMIT AND LICENSE APPLICATION FORMS.—

(1) IN GENERAL.—Each District of Columbia permit or license application form printed after the expiration of the 30-day period which begins on the date of the enactment of this Act shall include the telephone number established by the Inspector General of the District of Columbia for reporting instances of waste, fraud, and abuse, together with a brief description of the uses and purposes of such number.

(2) QUARTERLY REPORTS ON USE OF NUMBER.—Not later than 10 days after the end of such calendar quarter of each fiscal year (beginning with fiscal year 1998), the Inspector General of the District of Columbia shall submit a report to Congress on the number and nature of the calls received through the telephone number described in paragraph (1) during the quarter and on the waste, fraud, and abuse detected as a result of such calls.

REQUIRING USE OF DIRECT DEPOSIT OR MAIL FOR ALL PAYMENTS

SEC. 155. (a) IN GENERAL.—Notwithstanding any other provision of law (including any law or regulation providing for collective bargaining or the enforcement of any collective bargaining agreement) or collective bargaining agreement, any payment made by the District of Columbia after the expiration of the 45-day period which begins on the date of the enactment of this Act to any person shall be made by—

(1) direct deposit through electronic funds transfer to a checking, savings, or other account designated by the person; or

(2) a check delivered through the United States Postal Service to the person's place of residence or business.

(b) REGULATIONS.—The Chief Financial Officer of the District of Columbia is authorized to issue rules to carry out this section.

REVISION OF CERTAIN AUDITING REQUIREMENTS

SEC. 156. (a) INFORMATION INCLUDED IN INDEPENDENT ANNUAL AUDIT.—Effective with respect to fiscal year 1997 and each succeeding fiscal year, the independent annual audit of the government of the District of Columbia conducted for a fiscal year pursuant to section 4(a) of Public Law 94–399 (D.C. Code, sec. 47–119(a)) shall include the following information in the Comprehensive Annual Financial Report:

(1) An audited budgetary statement comparing actual revenues and expenditures during the fiscal year with the amounts appropriated in the annual appropriations act for the entire District government and for each fund of the District government (and each appropriation account with each such fund as a supplemental schedule) for the fiscal year, together with the revenue projections on which the appropriations are based, to determine the surplus or deficit thereof.

(2) An unaudited statement of monthly cash flows (on a fund-by-fund basis) showing projected and actual receipts and disbursements (with variances) by category.

(3) A discussion and analysis of the financial condition and results of operations of the District government prepared by the independent auditor.

(b) AUDIT OF FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY.—

(1) IN GENERAL.—Section 106 of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (D.C. Code, sec. 47–304.1), as amended by section 11711(a) of the Balanced Budget Act of 1997, is amended by adding at the end the following new subsection:

''(e) ANNUAL FINANCIAL AUDIT.—

''(1) IN GENERAL.—For each fiscal year (beginning with fiscal year 1997), the Authority shall enter into a contract, using annual appropriations to the Authority, with an auditor who is a certified public accountant licensed in the District of Columbia to conduct an audit of the Authority's financial statements for the fiscal year, in accordance with generally accepted government auditing standards, and the financial statements shall be prepared in accordance with generally accepted accounting principles.

''(2) CONTENTS.—The auditor shall include in the audit conducted under this subsection the following information:

''(A) An audited budgetary statement comparing gross actual revenues and expenditures of the Authority during the fiscal year with amounts appropriated, together with the revenue projections on which the appropriations are based, to determine the surplus or deficit thereof.

''(B) An unaudited statement of monthly cash flows, showing projected and actual receipts and disbursements by category (with variances).

''(C) A discussion and analysis of the financial condition and results of operations of the Authority prepared by the independent auditor.

''(3) SUBMISSION.—The Authority shall submit the audit reports and financial statements conducted under this subsection to Congress, the President, the Comptroller General, the Council, and the Mayor.''.

(2) RESPONSIBILITIES OF AUTHORITY.—The District of Columbia Financial Responsibility and Management Assistance Authority shall—

(A) with respect to the annual budget of the Authority for fiscal year 1999 and each succeeding fiscal year, provide the Mayor of the District of Columbia (prior to the transmission of the budget by the Mayor to the President and Congress under section 446 of the District of Columbia Home Rule Act) with an item-by-item accounting of the planned uses of appropriated and non-appropriated funds (including all projected revenues) of the Authority under the budget for such fiscal year; and

(B) with respect to the annual budget of the Authority for fiscal year 1997 and each succeeding fiscal year, provide the person conducting the independent annual audit of the government of the District of Columbia pursuant to section 4(a) of Public Law 94-399 (D.C. Code, sec. 47–119(a)) (prior to the completion of the audit) with the actual uses of all appropriated and non-appropriated funds of the Authority under the budget for such fiscal year.

(3) INCLUSION IN INDEPENDENT ANNUAL AUDIT.—For purposes of the independent annual audit of the government of the District of Columbia conducted pursuant to section 4(a) of Public Law 94-399 (D.C. Code, sec. 47–119(a)) for fiscal year 1997 and each succeeding fiscal year, the District of Columbia Financial Responsibility and Management Assistance Authority shall be considered to be an entity within the government of the District of Columbia accountable for appropriated funds in the District of Columbia annual budget, and included as such in the District of Columbia government's Comprehensive Annual Financial Report.

TREATMENT OF UNCLAIMED PROPERTY

SEC. 157. (a) DEFINITIONS OF CERTAIN TERMS.—Section 102 of the Uniform Disposition of Unclaimed Property Act of 1980 (D.C. Code, sec. 42–202) is amended—

(1) by amending paragraph (4) to read as follows:

''(4) 'Business association' means a corporation, joint stock company, investment company, partnership, unincorporated association, joint venture, limited liability, business trust, trust company, financial organization, insurance company, mutual fund, utility, or other business entity consisting of one or more persons, whether or not for profit.''; and

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

''(18) 'Record' means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

''(19) 'Property' means a fixed and certain interest in or right in property that is held, issued, or owed in the course of a holder's business, or by a government or governmental entity, and all income or increments therefrom, including an interest referred to as or evidenced by any of the following:

''(A) Money, check, draft, deposit, interest, dividend, and income.

''(B) Credit balance, customer overpayment, gift certificate, security deposit, refund, credit memorandum, unpaid wage, unused airline ticket, unused ticket, mineral proceed, and unidentified remittance and electronic fund transfer.

''(C) Stock or other evidence of ownership of an interest in a business association.

''(D) Bond, debenture, note, or other evidence of indebtedness.

''(E) Money deposited to redeem stocks, bonds, coupons, or other securities or to make distributions.

''(F) An amount due and payable under the terms of an insurance policy, including policies providing life insurance, property and casualty insurance, workers compensation insurance, or health and disability benefits insurance.

''(G) An amount distributable from a trust or custodial fund established under a plan to provide health, welfare, pension, vacation, severance, retirement, death, stock purchase, profit sharing, employee savings, supplemental unemployment insurance, or similar benefits.''.

(b) SHORTENING PERIOD FOR PRESUMPTION OF ABANDONMENT.—

(1) IN GENERAL.—Section 103(a) of such Act (D.C. Code, sec. 42–203(a)) is amended by striking ''5 years'' and inserting ''3 years''.

(2) BANK DEPOSITS AND FUNDS IN FINANCIAL ORGANIZATIONS.—Section 106 of such Act (D.C. Code, sec. 42–206) is amended by striking ''5 years'' each place it appears in subsections (a) and (d) and inserting ''3 years''.

(3) FUNDS HELD BY LIFE INSURANCE COMPANIES.—Section 107 of such Act (D.C. Code, sec. 42–207) is amended by striking ''5 years'' each place it appears in subsections (a) and (c)(2)(C) and inserting ''3 years''.

(4) DEPOSITS AND REFUNDS HELD BY UTILITIES.—Section 108 of such Act (D.C. Code, sec. 42–208) is amended by striking ''5 years'' each place it appears and inserting ''1 year''.

(5) STOCK AND OTHER INTANGIBLE INTERESTS IN BUSINESS ASSOCIATIONS.—Section 109 of such Act (D.C. Code, sec. 42–209) is amended—

(A) by striking ''5 years'' each place it appears in subsections (a) and (b)(1) and inserting ''3 years''; and

(B) in subsection (b)(2), by striking ''5-year'' and inserting ''3-year''.

(6) PROPERTY HELD BY FIDUCIARIES.—Section 111(a) of such Act (D.C. Code, sec. 42–211(a)) is amended by striking ''5 years'' and inserting ''3 years''.

(7) PROPERTY HELD BY PUBLIC OFFICERS AND AGENCIES.—Section 112 of such Act (D.C. Code, sec. 42–212) is amended by striking ''2 years'' and inserting ''1 year''.

(8) EMPLOYEE BENEFIT TRUST DISTRIBUTIONS.—Section 113 of such Act (D.C. Code, sec. 42–213) is amended by striking ''5 years'' and inserting ''3 years''.

(9) CONTENTS OF SAFE DEPOSIT BOX.—Section 115 of such Act (D.C. Code, sec. 42–215) is amended by striking ''5 years'' and inserting ''3 years''.

(c) CRITERIA FOR PRESUMPTION OF ABANDONMENT.—

(1) IN GENERAL.—Section 103 of such Act (D.C. Code, sec. 42–203) is amended by adding at the end the following new subsection:

''(d) A record of the issuance of a check, draft, or similar instrument by a holder is prima facie evidence of property held or owed to a person other than the holder. In claiming property from a holder who is also the issuer, the Mayor's burden of proof as to the existence and amount of the property and its abandonment is satisfied by showing issuance of the instrument and passage of the requisite period of abandonment. Defenses of payment, satisfaction, discharge, and want of consideration are affirmative defenses that may be established by the holder.''.

(2) SPECIAL RULES REGARDING STOCK AND OTHER INTANGIBLE INTERESTS IN BUSINESS ASSOCIATIONS.—Section 109 of such Act (D.C. Code, sec. 42–209) is amended by adding at the end the following new subsections:

''(d) For purposes of subsection (b), the return of official shareholder notifications or communications by the postal service as undeliverable shall be evidence that the association does not know the location of the owner.

''(e) In the case of property consisting of stock or other intangible ownership interest enrolled in a plan that provides for the automatic reinvestment of dividends, distribution, or other sums payable as a result of the interest, the property may not be presumed to be abandoned under this section unless either of the following applies:

''(1) The records available to the administrator of the plan show, with respect to any intangible ownership interest not enrolled in the reinvestment plan, that the owner has not within 3 years communicated in any manner described in subsection (a).

''(2) 3 years have elapsed since the location of the owner became unknown to the association, as evidenced by the return of official shareholder notifications or by the postal service as undeliverable, and the owner has not within those 3 years communicated in any manner described in subsection (a). The 3-year period from the return of official shareholder notifications or communications shall commence from the earlier of the return of the second such mailing or the time the holder discontinues mailings to the shareholder.''.

(3) SPECIAL RULE REGARDING PROPERTY DISTRIBUTED THROUGH LITIGATION OR SETTLEMENT OF DISPUTE.—Section 110 of such Act (D.C. Code, sec. 42–210) is amended—

(A) by striking ''All intangible'' and inserting ''(a) All intangible''; and

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

''(b) All intangible property payable or distributable to a member or participant in a class action suit, either one allowed by the court to be maintained as such or one essentially handled as a class action suit and remaining for more than one year after the time for the final payment or distribution is presumed abandoned, unless within the preceding one year, there has been a communication between the member or participant and the holder concerning the property. Intangible property payable or distributable as the result of litigation or settlement of a dispute before a judicial or administrative body and remaining unclaimed for more than one year after the time for the final distribution is presumed abandoned.''.

(d) REQUIREMENTS FOR PERSONS HOLDING PROPERTY PRESUMED ABANDONED.—

(1) DEADLINE FOR FILING REPORT WITH MAYOR.—Section 117(d) of such Act (D.C. Code, sec. 42–217(d)) is amended to read as follows:

''(d)(1) The report as of the prior June 30th must be filed before November 1st of each year, but a report with respect to a life insurance company must be filed before May 1st of each year as of the prior December 31. The Mayor may postpone the reporting date upon written request by any person required to file a report.

''(2) In calendar year 1998, a report concerning all property presumed to be abandoned as of October 31, 1997, must be filed no later than January 2, 1998.''.

(2) NOTIFICATION OF OWNER.—Section 117(e) of such Act (D.C. Code, sec. 42–217(e)) is amended to read as follows:

''(e) Not earlier than 120 days prior to filing the report required under this section (and not later than 60 days prior to filing such report), the holder of property presumed abandoned shall send written notice to the apparent owner of the property stating that the holder is in possession of property subject to this Act, but only if—

''(1) the holder has in its records an address for the apparent owner, unless the holder's records indicate that such address is not accurate; and

''(2) the value of the property is at least $50.''.

(3) PAYMENT OR DELIVERY OF PROPERTY TO MAYOR.—Section 119 of such Act (D.C. Code, sec. 42–219) is amended by striking subsections (a), (b), and (c) and inserting the following:

''(a) Upon the filing of the report required under section 117 with respect to property presumed abandoned, the holder of the property shall pay or deliver (or cause to be paid or delivered) to the Mayor the property described in the report as abandoned, except that—

''(1) in the case of property consisting of an automatically renewable deposit for which a penalty or forfeiture in the payment of interest would result if payment were made to the Mayor at such time, the holder may delay the payment or delivery of the property to the Mayor until such time as the penalty or forfeiture will not occur; and

''(2) in the case of tangible property held in a safe deposit box or other safekeeping depository, the holder shall pay or deliver (or cause to be paid or delivered) the property to the Mayor upon the expiration of the 120-day period which begins on the date the holder files the report required under section 117.

''(b) If the Mayor postpones the reporting date with respect to the property under section 117(d), the holder, upon receipt of the extension, may make an interim payment under this section on the amount the holder estimates will ultimately be due.''.

(4) CLARIFICATION OF USE OF ESTIMATED PAYMENTS AND REPORTS.—Section 130(d) of such Act (D.C. Code, sec. 42–230(d)) is amended to read as follows:

''(d) If a holder fails to maintain the records required by section 132 and the records of the holder available for the periods for which this Act applies to the property involved are insufficient to permit the preparation of a report and delivery of the property, the holder shall be required to report and pay such amounts as may reasonably be estimated from any available records.''.

(5) RETENTION OF RECORDS.—Section 132(a) of such Act (D.C. Code, sec. 42–232(a)) is amended to read as follows:

''(a) Except as provided in subsection (b) and unless the Mayor provides otherwise by rule, every holder required to file a report under section 117 shall retain all books, records, and documents necessary to establish the accuracy of such report and the compliance of the report with the requirements of this Act for 10 years after the property becomes reportable, together with a record of the name and address of the owner of the property in the case of any property for which the holder has obtained the last known address of the owner.''.

(e) DUTIES AND POWERS OF MAYOR.—

(1) INFORMATION INCLUDED IN PUBLISHED NOTICE OF ABANDONED PROPERTY.—Section 118(b)(3) of such Act (D.C. Code, sec. 42–218(b)(3)) is amended to read as follows:

''(3) A statement that property of the owner is presumed to be abandoned and has been taken into the protective custody of the Mayor, except in the case of property described in section 119(a)(1) which is not paid or delivered to the Mayor pursuant to such section.''.

(2) INFORMATION INCLUDED IN MAILED NOTICE.—Section 118(e)(3) of such Act (D.C.

Code, sec. 42–218(e)(3)) is amended to read as follows:

''(3) A statement explaining that property of the owner is presumed to be abandoned, the property has been taken into the protective custody of the Mayor (other than property described in section 119(a)(1) which is not paid or delivered to the Mayor pursuant to such section), and information about the property and its return to the owner is available to a person having a legal or beneficial interest in the property, upon request to the Mayor.''.

(3) TRANSITION RULE FOR 1997.—Section 118(g) of such Act (D.C. Code, sec. 42–218(g)) is amended to read as follows:

''(g) With respect to property reported and delivered on or before January 2, 1998, pursuant to section 117(d)(2), the Mayor shall cause the newspaper notice required by subsection (a) and the notice mailed under subsection (d) to be completed no later than May 1, 1998.''.

(4) IMPOSITION OF ONE-YEAR WAITING PERIOD FOR SALE OF PROPERTY.—The first sentence of section 122(a) of such Act (D.C. Code, sec. 42–222(a)) is amended by striking ''may be sold'' and inserting the following: ''which remains unclaimed one year after the delivery to the Mayor may be sold''.

(5) SPECIAL RULE FOR SALE OF PROPERTY CONSISTING OF SECURITIES.—Section 122 of such Act (D.C. Code, sec. 42–222) is amended by adding at the end the following new subsection:

''(d)(1) Notwithstanding subsection (a), abandoned property consisting of securities delivered to the Mayor under this Act may not be sold under this section until the expiration of the 3-year period which begins on the date the property is delivered to the Mayor, except that the Mayor may sell the property prior to the expiration of such period if the Mayor finds that sale at such time is in the best interests of the District of Columbia.

''(2) If the Mayor sells any property described in paragraph (1) prior to the expiration of the 3-year period described in such paragraph, any person making a claim with respect to the property pursuant to this Act prior to the expiration of such period is entitled to either the proceeds of the sale of the securities or the market value of the securities at the time the claim is made, whichever is greater, less any deduction for fees pursuant section 123(c). If the Mayor does not sell any such property prior to the expiration of such 3-year period, a person may make a claim with respect to the property in accordance with section 124 and other applicable provisions of this Act.''.

(6) STATUTE OF LIMITATIONS.—Section 129(b) of such Act (D.C. Code, sec. 42–229(b)) is amended to read as follows:

''(b) No action or proceeding may be commenced by the Mayor to enforce any provision of this Act with respect to the reporting, delivery, or payment of property more than 10 years after the holder specifically identified the property in a report filed with the Mayor or gave express notice to the Mayor of a dispute regarding the property. The period of limitation shall be tolled in the absence of such a report or other express notice, or by the filing of a report that is fraudulent.''.

(f) INTEREST AND PENALTIES.—

(1) IN GENERAL.—Section 135 of such Act (D.C. Code, sec. 42–235) is amended by striking subsections (b), (c), and (d) and inserting the following:

''(b) Except as otherwise provided in subsection (c), a person who fails to report, pay, or deliver property within the time prescribed under this Act, or fails to perform other duties imposed by this Act, shall pay (in addition to the interest required under subsection (a)) a civil penalty of $200 for each day the report, payment, or delivery is withheld or the duty is not performed, up to a maximum of $10,000.

''(c) A person who willfully fails to report, pay, or deliver property within the time prescribed under this Act, or fails to perform other duties imposed by this Act, shall pay (in addition to the interest required under subsection (a)) a civil penalty of $1,000 for each day the report, payment, or delivery is withheld or the duty is not performed, up to a maximum of $25,000, plus 25 percent of the value of any property that should have been paid or delivered.

''(d) The Mayor may waive the imposition of any interest or penalty (or any part thereof) against any person under subsection (b) or (c) if the person's failure to pay or deliver property is satisfactorily explained to the Mayor and if the failure has resulted from a mistake by the person in understanding or applying the law or the facts involved.''.

(2) FAILURE OF HOLDER TO EXERCISE DUE DILIGENCE WITH RESPECT TO ITEMS SUBJECT TO REPORTING.—Section 135 of such Act (D.C. Code, sec. 42–235) is amended by adding at the end the following new subsection:

''(f) A holder who fails to exercise due diligence with respect to information required to be reported under section 117 shall pay (in addition to any other interest or penalty which may be imposed under this section) a penalty of $10 with respect to each item involved.''.

(g) MISCELLANEOUS REVISIONS.—

(1) RESTRICTION ON AMOUNT CHARGED FOR HOLDING CERTAIN BANK DEPOSITS AND FUNDS.—(A) Section 106(e) of such Act (D.C. Code, sec. 42–206(e)) is amended by adding at the end the following new paragraph:

''(4) The amount of the deduction is limited to an amount that is not unconscionable.''.

(B) Section 106(f) of such Act (D.C. Code, sec. 42–206(f)) is amended by adding at the end the following new paragraph:

''(3) The amount of the deduction is limited to an amount that is not unconscionable.''.

(2) CLARIFICATION OF APPLICATION OF LAW TO WAGES AND OTHER COMPENSATION.—Section 116 of such Act (D.C. Code, sec. 42–216) is amended by striking ''Unpaid wages or outstanding payroll checks'' and inserting ''Wages or other compensation for personal services''.

(h) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) TRANSITION RULE.—In the case of any property which is presumed to be abandoned under the Uniform Disposition of Unclaimed Property Act of 1980 (as amended by this Act) during the 6-month period which begins on the date of the enactment of this Act and which would not be presumed to be abandoned under such Act during such period but for the amendments made by this Act, the property may not be presumed to be abandoned under such Act prior to the expiration of such period.

RESTRICTIONS ON BORROWING

SEC. 158. (a) PROHIBITING USE OF BORROWING TO FINANCE OR REFUND ACCUMULATED GENERAL FUND DEFICIT.—None of the funds made available in this Act or in any other Act may be used by the District of Columbia (including the District of Columbia Financial Responsibility and Management Assistance Authority) at any time before, on, or after the date of the enactment of this Act to obtain borrowing to finance or refund the accumulated general fund deficit of the District of Columbia existing as of September 30, 1997.

(b) RESTRICTIONS ON USE OF FUNDS FOR DEBT RESTRUCTURING.—None of the funds made available in this Act or in any other Act may be used by the District of Columbia (including the District of Columbia Financial Responsibility and Management Assistance Authority) during fiscal year 1998 or any succeeding fiscal year to obtain borrowing (including borrowing through the issuance of any bonds, notes, or other obligations) to repay any other borrowing of funds or issuance of bonds, notes, or other obligations unless—

(1) the aggregate cost to the District of the new borrowing or issuance does not exceed the aggregate cost of the original borrowing or issuance; and

(2) the date provided for the final repayment of the new borrowing or issuance is not later than the date provided for the final repayment of the original borrowing or issuance.

(2) CLERICAL AMENDMENT.—The table of sections for subpart 1 of part E of title IV of the District of Columbia Home Rule Act is amended by adding at the end the following new item:

''Sec. 468. Restrictions on restructuring of debt.''.

(c) PROHIBITING USE OF FUNDS FOR PRIVATE BOND SALES.—None of the funds made available in this Act or in any other Act may be used by the District of Columbia (including the District of Columbia Financial Responsibility and Management Assistance Authority) during fiscal year 1998 or any succeeding fiscal year to sell any bonds at a private sale.

REOPENING OF PENNSYLVANIA AVENUE

SEC. 159. Notwithstanding any other provision of law or any other rule or regulation, beginning January 1, 1998, the portion of Pennsylvania Avenue in front of the White House shall be reopened to regular vehicular traffic.

INDEPENDENCE IN CONTRACTING FOR CHIEF FINANCIAL OFFICER AND INSPECTOR GENERAL

SEC. 160. (a) IN GENERAL.—Notwithstanding any other provision of law, neither the Mayor of the District of Columbia or the District of Columbia Financial Responsibility and Management Assistance Authority may enter into any contract with respect to any authority or activity under the jurisdiction of the Chief Financial Officer or Inspector General of the District of Columbia without the consent and approval of the Chief Financial Officer or Inspector General (as the case may be).

(b) EFFECT ON OTHER POWERS AND DUTIES OF AUTHORITY.—Nothing in this section may be construed—

(1) to affect the ability of the District of Columbia Financial Responsibility and Management Assistance Authority to remove the Chief Financial Officer or Inspector General of the District of Columbia from office during a control year (as defined in section 305(4) of the District of Columbia Financial Responsibility and management Assistance Act of 1995); or

(2) to exempt any contracts entered into by the Chief Financial Officer or Inspector General from review by the Authority under section 203(b) of such Act.

MISCELLANEOUS PROVISIONS

SEC. 161. (a) DEPOSIT OF ANNUAL FEDERAL CONTRIBUTION WITH AUTHORITY.—

(1) IN GENERAL.—The District of Columbia Financial Responsibility and Management Assistance Act of 1995, as amended by section 11601(b)(2) of the Balanced Budget Act of 1997, is amended by inserting after section 204 the following new section:

''SEC. 205. DEPOSIT OF ANNUAL FEDERAL CONTRIBUTION WITH AUTHORITY.

''(a) IN GENERAL.—

''(1) DEPOSIT INTO ESCROW ACCOUNT.—In the case of a fiscal year which is a control year, the Secretary of the Treasury shall deposit any Federal contribution to the District of Columbia for the year authorized under section 11601(c)(2) of the Balanced Budget Act of 1997 into an escrow account held by the Authority, which shall allocate the funds to the Mayor at such intervals and in accordance with such terms and conditions as it considers appropriate to implement the financial plan for the year. In establishing such terms and conditions, the Authority shall give priority to using the Federal contribution for cash flow management and the payment of outstanding bills owed by the District government.

''(2) EXCEPTION FOR AMOUNTS WITHHELD FOR ADVANCES.—Paragraph (1) shall not apply with respect to any portion of the Federal contribution which is withheld by the Secretary of the Treasury in accordance with section 605(b)(2) of title VI of the District of Columbia Revenue Act of 1939 to reimburse the Secretary for advances made under title VI of such Act.

''(b) EXPENDITURE OF FUNDS FROM ACCOUNT IN ACCORDANCE WITH AUTHORITY INSTRUCTIONS.—Any funds allocated by the Authority to the Mayor from the escrow account described in paragraph (1) may be expended by the Mayor only in accordance with the terms and conditions established by the Authority at the time the funds are allocated.''.

(2) CLERICAL AMENDMENT.—The table of contents for such Act is amended by inserting after the item relating to section 204 the following new item:

''Sec. 205. Deposit of annual Federal contribution with Authority.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the enactment of the Balanced Budget Act of 1997.

(b) DISHONORED CHECK COLLECTION.—The Act entitled ''An Act to authorize the Commissioners of the District of Columbia to prescribe penalties for the handling and collection of dishonored checks'', approved September 28, 1965 (D.C. Code, sec. 1–357) is amended—

(1) in subsection (a) by inserting after the third sentence the following: ''The Mayor may enter into a contract to collect the amount of the original obligation.''; and

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

''(c) In a case in which the amount of a dishonored or unpaid check is collected as a result of a contract, the Mayor shall collect any costs or expenses incurred to collect such amount from such person who gives or causes to be given, in payment of any obligation or liability due the government of the District of Columbia, a check which is subsequently dishonored or not duly paid. In a case in which the amount of a dishonored or unpaid check is collected as a result of an action at law or in equity, such costs and expenses shall include litigation expenses and attorney's fees.

''(d) An action at law or in equity for the recovery of any amount owed to the District as a result of subsection (c), including any litigation expenses or attorney's fees may be initiated—

''(1) by the Corporation Counsel of the District of Columbia; or

''(2) in a case in which the Corporation Counsel does not exercise his or her authority, by the person who provides collection services as a result of a contract with the Mayor.

''(e) Nothing in this section may be construed to eliminate the Mayor's exclusive authority with respect to any obligations and liabilities of the District of Columbia.''.

(c) REQUIRING DISTRICT GOVERNMENT OFFICIALS TO PROVIDE INFORMATION UPON REQUEST TO CONGRESSIONAL COMMITTEES.—Notwithstanding any provision of law or any other rule or regulation, during fiscal year 1998 and each succeeding fiscal year, at the request of the Committee on Appropriations of the House of Representatives, the Committee on Appropriations of the Senate, the Committee on Government Reform and Oversight of the House of Representatives, or the Committee on Governmental Affairs of the Senate, any officer or employee of the District of Columbia government (including any officer or employee of the District of Columbia Financial Responsibility and Management Assistance Authority) shall provide the Committee with such information and materials as the Committee may require, within such deadline as the Committee may require.

(d) PROHIBITING CERTAIN HELICOPTER FLIGHTS OVER DISTRICT.—None of the funds made available in this Act or in any other Act may be used by the District of Columbia to grant a permit or license to any person for purposes of any business in which the person provides tours of any portion of the District of Columbia by helicopter.

(e) CONFORMING REFERENCES TO INTERNAL REVENUE CODE OF 1986.—Section 4(28A) of the District of Columbia Income and Franchise Act of 1947 (D.C. Code, sec. 47–1801.4(28A)) is amended to read as follows:

''(28A) The term 'Internal Revenue Code of 1986' means the Internal Revenue Code of 1986 (100 Stat. 2085; 26 U.S.C. 1 et seq.), as amended through August 20, 1996. The provisions of the Internal Revenue Code of 1986 shall be effective on the same dates that they are effective for Federal tax purposes.''.

(f) STANDARD FOR REVIEW OF RECOMMENDATIONS OF BUSINESS REGULATORY REFORM COMMISSION IN REVIEW OF REGULATIONS BY AUTHORITY.—Section 11701(a)(1) of the Balanced Budget Act of 1997 is amended by striking the second sentence and inserting the following: ''In carrying out such review, the Authority shall include an explicit reference to each recommendation made by the Business Regulatory Reform Commission pursuant to the Business Regulatory Reform Commission Act of 1994 (D.C. Code, sec. 2–4101 et seq.), together with specific findings and conclusions with respect to each such recommendation.''.

(g) TECHNICAL CORRECTIONS RELATING TO BALANCED BUDGET ACT OF 1997.—(1) Effective as if included in the enactment of the Balanced Budget Act of 1997, section 453(c) of the District of Columbia Home Rule Act (D.C. Code, sec. 47–304.1(c)), as amended by section 11243(d) of the Balanced Budget Act of 1997, is amended to read as follows:

''(c) Subsection (a) shall not apply to amounts appropriated or otherwise made available to the Council, the District of Columbia Financial Responsibility and Management Assistance Authority established under section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, or the District of Columbia Water and Sewer Authority established pursuant to the Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996.''.

(2) Section 11201(g)(2)(A)(ii) of the Balanced Budget Act of 1997 is amended—

(A) in the heading, by striking ''DEPARTMENT OF PARKS AND RECREATION'' and inserting ''PARKS AUTHORITY''; and

(B) by striking ''Department of Parks and Recreation'' and inserting ''Parks Authority''.

(h) REPEAL OF PRIOR NOTICE REQUIREMENT FOR FEDERAL ACTIVITIES AFFECTING REAL PROPERTY IN DISTRICT OF COLUMBIA.—Effective October 1, 1997, the Balanced Budget Act of 1997 (Public Law 105–33) is amended by striking section 11715.

This title may be cited as the ''District of Columbia Appropriations Act, 1998''.

TITLE II—DISTRICT OF COLUMBIA MEDICAL LIABILITY REFORM

Subtitle A—Standards for Health Care Liability Actions and Claims in the District of Columbia

SEC. 201. SHORT TITLE.

This title may be cited as the ''District of Columbia Medical Liability Reform Act of 1997''.

SEC. 202. STATUTE OF LIMITATIONS.

A District of Columbia health care liability action may not be brought after the expiration of the 2-year period that begins on the date on which the alleged injury that is the subject of the action was discovered or should reasonably have been discovered, but in no case after the expiration of the 5-year period that begins on the date the alleged injury occurred.

SEC. 203. TREATMENT OF NONECONOMIC DAMAGES.

(a) LIMITATION ON NONECONOMIC DAMAGES.—The total amount of noneconomic damages that may be awarded to a claimant for losses resulting from the injury which is the subject of a District of Columbia health care liability action may not exceed $250,000, regardless of the number of parties against whom the action is brought or the number of actions brought with respect to the injury.

(b) JOINT AND SEVERAL LIABILITY.—In any District of Columbia health care liability action, a defendant shall be liable only for the amount of noneconomic damages attributable to such defendant in direct proportion to such defendant's share of fault or responsibility for the claimant's actual damages, as determined by the trier of fact. In all such cases, the liability of a defendant for noneconomic damages shall be several and not joint.

SEC. 204. CRITERIA FOR AWARDING OF PUNITIVE DAMAGES; LIMITATION ON AMOUNT AWARDED.

(a) IN GENERAL.—Punitive damages may, to the extent permitted by applicable District of Columbia law, be awarded in any District of Columbia health care liability action if the claimant establishes by clear and convincing evidence that the harm suffered was the result of—

(1) conduct specifically intended to cause harm, or

(2) conduct manifesting a conscious, flagrant indifference to the rights or safety of others.

(b) PROPORTIONAL AWARDS.—The amount of punitive damages that may be awarded in any District of Columbia health care liability action may not exceed 3 times the amount of damages awarded to the claimant for economic loss, or $250,000, whichever is greater. This subsection shall be applied by the court and shall not be disclosed to the jury.

(c) APPLICABILITY.—This subsection shall apply to any District of Columbia health care liability action brought on any theory under which punitive damages are sought. This subsection does not create a cause of action for punitive damages. This subsection does not preempt or supersede any law to the extent that such law would further limit the award of punitive damages.

(d) BIFURCATION.—At the request of any party, the trier of fact shall consider in a separate proceeding whether punitive damages are to be awarded and the amount of such award. If a separate proceeding is requested, evidence relevant only to the claim of punitive damages, as determined by applicable District of Columbia law, shall be inadmissible in any proceeding to determine whether actual damages are to be awarded.

SEC. 205. TREATMENT OF PUNITIVE DAMAGES IN ACTIONS RELATING TO DRUGS OR MEDICAL DEVICES.

(a) PROHIBITING AWARD OF PUNITIVE DAMAGES WITH RESPECT TO CERTAIN APPROVED DRUGS AND DEVICES.—

(1) IN GENERAL.—In any District of Columbia health care liability action, punitive damages may not be awarded against a manufacturer or product seller of a drug or medical device which caused the claimant's harm if—

(A) such drug or device was subject to premarket approval by the Food and Drug Administration with respect to the safety of the formulation or performance of the aspect of such drug or device which caused the claimant's harm, or the adequacy of the packaging or labeling of such drug or device which caused the harm, and such drug, device, packaging, or labeling was approved by the Food and Drug Administration; or

(B) the drug is generally recognized as safe and effective pursuant to conditions established by the Food and Drug Administration and applicable regulations, including packaging and labeling regulations.

(2) EXCEPTION.—Paragraph (1) shall not apply in any case in which the defendant, before or after premarket approval of a drug or device—

(A) intentionally and wrongfully withheld from or misrepresented to the Food and Drug Administration information concerning such drug or device required to be submitted under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.) or section 351 of the Public Health Service Act (42 U.S.C. 262) that is material and relevant to the harm suffered by the claimant, or

(C) made an illegal payment to an official or employee of the Food and Drug Administration for the purpose of securing or maintaining approval of such drug or device.

(b) SPECIAL RULE REGARDING CLAIMS RELATING TO PACKAGING.—In a District of Columbia health care liability action relating to the adequacy of the packaging or labeling of a drug which is required to have tamper-resistant packaging under regulations of the Secretary of Health and Human Services (including labeling regulations related to such packaging), the manufacturer or product seller of the drug shall not be held liable for punitive damages unless such packaging or labeling is found by the court by clear and convincing evidence to be substantially out of compliance with such regulations.

(c) DEFINITIONS.—In this section, the following definitions apply:

(1) DRUG.—The term ''drug'' has the meaning given such term in section 201(g)(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(g)(1)).

(2) MEDICAL DEVICE.—The term ''medical device'' has the meaning given such term in section 201(h) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(h)).

(3) PRODUCT SELLER.—

(A) IN GENERAL.—Subject to subparagraph (B), the term ''product seller'' means a person who, in the course of a business conducted for that purpose—

(i) sells, distributes, rents, leases, prepares, blends, packages, labels, or is otherwise involved in placing, a product in the stream of commerce, or

(ii) installs, repairs, or maintains the harm-causing aspect of a product.

(B) EXCLUSION.—Such term does not include—

(i) a seller or lessor of real property;

(ii) a provider of professional services in any case in which the sale or use of a product is incidental to the transaction and the essence of the transaction is the furnishing of judgment, skill, or services; or

(iii) any person who—

(I) acts in only a financial capacity with respect to the sale of a product; or

(II) leases a product under a lease arrangement in which the selection, possession, maintenance, and operation of the product are controlled by a person other than the lessor.

SEC. 206. PERIODIC PAYMENTS FOR FUTURE LOSSES.

(a) IN GENERAL.—In any District of Columbia health care liability action in which the damages awarded for future economic and noneconomic loss exceeds $50,000, a person shall not be required to pay such damages in a single, lump-sum payment, but shall be permitted to make such payments periodically based on when the damages are found likely to occur, as such payments are determined by the court.

(b) FINALITY OF JUDGMENT.—The judgment of the court awarding periodic payments under this section may not, in the absence of fraud, be reopened at any time to contest, amend, or modify the schedule or amount of the payments.

(c) LUMP-SUM SETTLEMENTS.—This section may not be construed to preclude a settlement providing for a single, lump-sum payment.

SEC. 207. TREATMENT OF COLLATERAL SOURCE PAYMENTS.

(a) INTRODUCTION INTO EVIDENCE.—In any District of Columbia health care liability action, any defendant may introduce evidence of collateral source payments. If any defendant elects to introduce such evidence, the claimant may introduce evidence of any amount paid or contributed or reasonably likely to be paid or contributed in the future by or on behalf of the claimant to secure the right to such collateral source payments.

(b) NO SUBROGATION.—No provider of collateral source payments may recover any amount against the claimant or receive any lien or credit against the claimant's recovery or be equitably or legally subrogated the right of the claimant in a District of Columbia health care liability action.

(c) APPLICATION TO SETTLEMENTS.—This section shall apply to an action that is settled as well as an action that is resolved by a fact finder.

(d) COLLATERAL SOURCE PAYMENTS DEFINED.—In this section, the term ''collateral source payments'' means any amount paid or reasonably likely to be paid in the future to or on behalf of a claimant, or any service, product, or other benefit provided or reasonably likely to be provided in the future to or on behalf of a claimant, as a result of an injury or wrongful death, pursuant to—

(1) any State or Federal health, sickness, income-disability, accident or workers' compensation Act;

(2) any health, sickness, income-disability, or accident insurance that provides health benefits or income-disability coverage;

(3) any contract or agreement of any group, organization, partnership, or corporation to provide, pay for, or reimburse the cost of medical, hospital, dental, or income disability benefits; and

(4) any other publicly or privately funded program.

SEC. 208. APPLICATION OF STANDARDS TO CLAIMS RESOLVED THROUGH ALTERNATIVE DISPUTE RESOLUTION.

(a) IN GENERAL.—Any alternative dispute resolution system used to resolve a District of Columbia health care liability action or claim shall contain provisions relating to statute of limitations, non-economic damages, joint and several liability, punitive damages, collateral source rule, and periodic payments which are identical to the provisions relating to such matters in this title.

(b) ALTERNATIVE DISPUTE RESOLUTION SYSTEM DEFINED.—In this title, the term ''alternative dispute resolution system'' means a system that provides for the resolution of District of Columbia health care liability claims in a manner other than through District of Columbia health care liability actions.

Subtitle B—General Provisions

SEC. 211. GENERAL DEFINITIONS.

(a) DISTRICT OF COLUMBIA HEALTH CARE LIABILITY ACTION.—

(1) IN GENERAL.—In this title, the term ''District of Columbia health care liability action'' means a civil action brought against a health care provider, an entity which is obligated to provide or pay for health benefits under any health benefit plan (including any person or entity acting under a contract or arrangement to provide or administer any health benefit), or the manufacturer, distributor, supplier, marketer, promoter, or seller of a medical product, in which the claimant alleges a claim (including third party claims, cross claims, counter claims, or distribution claims) based upon the provision of (or the failure to provide or pay for) health care services or the use of a medical product within the District of Columbia, regardless of the theory of liability on which the claim is based or the number of plaintiffs, defendants, or causes of action.

(2) HEALTH BENEFIT PLAN.—The term ''health benefit plan'' means—

(A) a hospital or medical expense incurred policy or certificate,

(B) a hospital or medical service plan contract,

(C) a health maintenance subscriber contract, or

(D) a Medicare+Choice plan (as described in section 1859(b)(1) of the Social Security Act),

that provides benefits with respect to health care services.

(3) HEALTH CARE PROVIDER.—The term ''health care provider'' means any person that is engaged in the delivery of health care services in the District of Columbia and that is required by the laws or regulations of the District of Columbia to be licensed or certified to engage in the delivery of such services in the District of Columbia, and includes an employee of the government of the District of Columbia (including an independent agency of the District of Columbia).

(b) DISTRICT OF COLUMBIA HEALTH CARE LIABILITY CLAIM.—The term ''District of Columbia health care liability claim'' means a claim in which the claimant alleges that injury was caused by the provision of (or the failure to provide) health care services within the District of Columbia.

(c) OTHER DEFINITIONS.—As used in this title:

(1) ACTUAL DAMAGES.—The term ''actual damages'' means damages awarded to pay for economic loss.

(2) CLAIMANT.—The term ''claimant'' means any person who brings a District of Columbia health care liability action and any person on whose behalf such an action is brought. If such action is brought through or on behalf of an estate, the term includes the claimant's decedent. If such action is brought through or on behalf of a minor or incompetent, the term includes the claimant's legal guardian.

(3) CLEAR AND CONVINCING EVIDENCE.—The term ''clear and convincing evidence'' is that measure or degree of proof that will produce in the mind of the trier of fact a firm belief or conviction as to the truth of the allegations sought to be established. Such measure or degree of proof is more than that required under preponderance of the evidence but less than that required for proof beyond a reasonable doubt.

(4) ECONOMIC LOSS.—The term ''economic loss'' means any pecuniary loss resulting

from injury (including the loss of earnings or other benefits related to employment, medical expense loss, replacement services loss, loss due to death, burial costs, and loss of business or employment opportunities), to the extent recovery for such loss is allowed under applicable District of Columbia law.

(5) HARM.—The term ''harm'' means any legally cognizable wrong or injury for which punitive damages may be imposed.

(6) HEALTH CARE SERVICE.—The term ''health care service'' means any service for which payment may be made under a health benefit plan including services related to the delivery or administration of such service.

(7) NONECONOMIC DAMAGES.—The term ''noneconomic damages'' means damages paid to an individual for pain and suffering, inconvenience, emotional distress, mental anguish, loss of consortium, injury to reputation, humiliation, and other nonpecuniary losses.

(8) PERSON.—The term ''person'' means any individual, corporation, company, association, firm, partnership, society, joint stock company, or any other entity, including any governmental entity.

(9) PUNITIVE DAMAGES.—The term ''punitive damages'' means damages awarded against any person not to compensate for actual injury suffered, but to punish or deter such person or others from engaging in similar behavior in the future.

SEC. 212. NONAPPLICATION TO CERTAIN ACTIONS; PREEMPTION.

(a) APPLICABILITY.—This title shall not apply to—

(1) an action for damages arising from a vaccine-related injury or death to the extent that title XXI of the Public Health Service Act applies to the action, or

(2) an action under the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.).

(b) PREEMPTION.—This title shall preempt any District of Columbia law to the extent such law is inconsistent with the limitations contained in this title. This title shall not preempt any District of Columbia law that provides for defenses or places limitations on a person's liability in addition to those contained in this title or otherwise imposes greater restrictions than those provided in this title.

(c) EFFECT ON SOVEREIGN IMMUNITY AND CHOICE OF LAW OR VENUE.—Nothing in this title may be construed to—

(1) waive or affect any defense of sovereign immunity asserted by the District of Columbia under any provision of law;

(2) waive or affect any defense of sovereign immunity asserted by the United States;

(3) affect the applicability of any provision of the Foreign Sovereign Immunities Act of 1976;

(4) preempt any choice-of-law rules with respect to claims brought by a foreign nation or a citizen of a foreign nation; or

(5) affect the right of any court to transfer venue or to apply the law of a foreign nation or to dismiss a claim of a foreign nation or of a citizen of a foreign nation on the ground of inconvenient forum.

SEC. 213. RULES OF CONSTRUCTION REGARDING JURISDICTION OF FEDERAL COURTS.

(a) AMOUNT IN CONTROVERSY.—In an action to which this title applies and which is brought under section 1332 of title 28, United States Code, the amount of noneconomic damages or punitive damages, and attorneys' fees or costs, shall not be included in determining whether the matter in controversy exceeds the sum or value of $50,000.

(b) FEDERAL COURT JURISDICTION NOT ESTABLISHED ON FEDERAL QUESTION GROUNDS.—Nothing in this title shall be construed to establish any jurisdiction in the district courts of the United States over District of Columbia health care liability actions on the basis of section 1331 or 1337 of title 28, United States Code.

Subtitle C—Effective Date

SEC. 221. EFFECTIVE DATE.

This title shall apply to any District of Columbia health care liability action and to any District of Columbia health care liability claim subject to an alternative dispute resolution system, that is initiated on or after the date of the enactment of this title, except that any such action or claim arising from an injury occurring prior to such date shall be governed by the applicable statute of limitations provisions in effect at the time the injury occurred.

TITLE III—DISTRICT OF COLUMBIA EDUCATION REFORM ACT OF 1997

Subtitle A—Amendments to District of Columbia School Reform Act of 1995

SEC. 301. SHORT TITLE.

This title may be cited as the ''District of Columbia Education Reform Amendments Act of 1997''.

SEC. 302. GENERAL EFFECTIVE DATE.

Section 2003 of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 1321–112; D.C. Code §31–2851) is amended by striking ''shall be effective'' and all that follows through the period at the end and inserting ''shall take effect on the date of the enactment of this Act.''.

SEC. 303. TIMETABLE FOR APPROVAL OF PUBLIC CHARTER SCHOOL PETITIONS.

Section 2203(i)(2)(A) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 3009–504; D.C. Code §31–2853.13(i)(2)(A)) is amended to read as follows:

''(A) IN GENERAL.—

''(i) ANNUAL LIMIT.—Subject to subparagraph (B) and clause (ii), during calendar year 1997, and during each subsequent calendar year, each eligible chartering authority shall not approve more than 10 petitions to establish a public charter school under this subtitle.

''(ii) TIMETABLE.—Any petition approved under clause (i) shall be approved during an application approval period that terminates on April 1 of each year. Such an approval period may commence before or after January 1 of the calendar year in which it terminates, except that any petition approved at any time during such an approval period shall count, for purposes of clause (i), against the total number of petitions approved during the calendar year in which the approval period terminates.''.

SEC. 304. INCREASE IN PERMITTED NUMBER OF TRUSTEES OF PUBLIC CHARTER SCHOOL.

Section 2205(a) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 1321–122; D.C. Code §31–2853.15(a)) is amended by striking ''7,'' and inserting ''15,''.

SEC. 305. LEASE TERMS FOR PERSONS OPERATING CHARTER SCHOOLS.

(a) LEASING FORMER OR UNUSED PUBLIC SCHOOL PROPERTIES.—

(1) IN GENERAL.—Section 2209(b)(1)(A) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 3009–505; D.C. Code §31–2853.19(b)(1)(A)) is amended to read as follows:

''(A) IN GENERAL.—Notwithstanding any other provision of law relating to the disposition of a facility or property described in subparagraph (C), the Mayor and the District of Columbia Government—

''(i) subject to clause (ii), shall give preference to an eligible applicant whose petition to establish a public charter school has been conditionally approved under section 2203(d)(2), or a Board of Trustees, with respect to the purchase of a facility or property described in subparagraph (C), if doing so will not result in a significant loss of revenue that might be obtained from other dispositions or uses of the facility or property; and

''(ii) shall lease a facility or property described in subparagraph (C), at an annual rate of $1, to an eligible applicant whose petition to establish a public charter school has been conditionally approved under section 2203(d)(2), or a Board of Trustees, if—

''(I) the eligible applicant or Board of Trustees requests a lease pursuant to this paragraph for the purpose of operating the facility or property as a public charter school under this subtitle; and

''(II) the facility or property is not yet otherwise disposed of (by sale, lease, or otherwise).''.

(2) TERMINATION OF LEASE.—Section 2209(b)(1) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 3009–505; D.C. Code §31–2853.19(b)(1)) is amended—

(A) by redesignating subparagraph (B) as subparagraph (C); and

(B) by inserting after subparagraph (A) the following:

''(B) TERMINATION OF LEASE.—Any lease entered into pursuant to this paragraph with respect to a public charter school shall be deemed to terminate—

''(i) upon the denial of an application to renew the charter granted to the school under section 2212, or, in a case where judicial review of the denial is sought under section 2212(d)(6), upon the entry of an order, not subject to further review, upholding a decision to deny such an application, whichever occurs later;

''(ii) upon the revocation of the charter granted to the school under section 2213, or, in a case where judicial review of the revocation is sought under section 2213(c)(6), upon the entry of an order, not subject to further review, upholding the revocation, whichever occurs later; or

''(iii) in the case of a lease to an eligible applicant whose petition to establish a public charter school has been conditionally approved under section 2203(d)(2), upon the termination of such conditional approval by reason of the applicant's failure timely to submit the identification and information described in section 2202(6)(B)(i).''.

(3) CONFORMING AMENDMENT.—Section 225(d) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Public Law 104–8; 110 Stat. 3009–508; D.C. Code §47–392.25(d)) is amended by striking ''section 2209(b)(1)(B) of the District of Columbia School Reform Act of 1995'' and inserting ''section 2209(b)(1)(C) of the District of Columbia School Reform Act of 1995, other than a facility or real property that is subject to a lease under section 2209(b)(1)(A)(ii) of such Act,''.

(b) CONVERSIONS OF PUBLIC SCHOOLS.—Section 2209(b) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 3009–505; D.C. Code §31–2853.19(b)) is amended by adding at the end the following:

''(3) SPECIAL RULE FOR PERSONS CONVERTING PUBLIC SCHOOL INTO CHARTER SCHOOL.—

''(A) IN GENERAL.—Notwithstanding any other provision of law relating to the disposition of a facility or property described in this paragraph, the Mayor and the District of Columbia Government shall lease a facility or property, at an annual rate of $1, to an eligible applicant whose petition to establish a public charter school has been conditionally approved under section 2203(d)(2), or a Board of Trustees, if—

''(i) the facility or property is under the jurisdiction of the Board of Education;

''(ii) the eligible applicant or Board of Trustees requests a lease pursuant to this paragraph for the purpose of operating the facility or property as a public charter school under this subtitle; and

''(iii) immediately prior to the date of such request, the facility or property—

''(I) was operated as a District of Columbia public school, and the requirements of section 2202(a) were met; or

''(II) was operated as a public charter school under this subtitle.

''(B) TERMINATION OF LEASE.—Any lease entered into pursuant to this paragraph with respect to a public charter school shall be deemed to terminate—

''(i) upon the denial of an application to renew the charter granted to the school under section 2212, or, in a case where judicial review of the denial is sought under section 2212(d)(6), upon the entry of an order, not subject to further review, upholding a decision to deny such an application, whichever occurs later;

''(ii) upon the revocation of the charter granted to the school under section 2213, or, in a case where judicial review of the revocation is sought under section 2213(c)(6), upon the entry of an order, not subject to further review, upholding the revocation, whichever occurs later; or

''(iii) in the case of a lease to an eligible applicant whose petition to establish a public charter school has been conditionally approved under section 2203(d)(2), upon the termination of such conditional approval by reason of the applicant's failure timely to submit the identification and information described in section 2202(6)(B)(i).''.

(c) LEASING CURRENT PUBLIC SCHOOL PROPERTIES.—

(1) IN GENERAL.—Section 2209(b)(2)(A) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 3009–506; D.C. Code §31–2853.19(b)(2)(A)) is amended to read as follows:

''(A) IN GENERAL.—Notwithstanding any other provision of law relating to the disposition of a facility or property described in subparagraph (C), but subject to paragraph (3), the Mayor and the District of Columbia Government shall lease a facility or property described in subparagraph (C), at an annual rate of $1, to an eligible applicant whose petition to establish a public charter school has been conditionally approved under section 2203(d)(2), or a Board of Trustees, if the eligible applicant or Board of Trustees requests a lease pursuant to this paragraph for the purpose of—

''(i) operating the facility or property as a public charter school under this subtitle; or

''(ii) using the facility or property for a purpose directly related to the operation of a public charter school under this subtitle.''.

(2) TERMINATION OF LEASE.—Section 2209(b)(2) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 3009–506; D.C. Code §31–2853.19(b)(2)) is amended—

(A) by redesignating subparagraph (B) as subparagraph (C); and

(B) by inserting after subparagraph (A) the following:

''(B) TERMINATION OF LEASE.—Any lease entered into pursuant to this paragraph with respect to a public charter school shall be deemed to terminate—

''(i) upon the denial of an application to renew the charter granted to the school under section 2212, or, in a case where judicial review of the denial is sought under section 2212(d)(6), upon the entry of an order, not subject to further review, upholding a decision to deny such an application, whichever occurs later;

''(ii) upon the revocation of the charter granted to the school under section 2213, or, in a case where judicial review of the revocation is sought under section 2213(c)(6), upon the entry of an order, not subject to further review, upholding the revocation, whichever occurs later; or

''(iii) in the case of a lease to an eligible applicant whose petition to establish a public charter school has been conditionally approved under section 2203(d)(2), upon the termination of such conditional approval by reason of the applicant's failure timely to submit the identification and information described in section 2202(6)(B)(i).''.

SEC. 306. AUTHORIZATION OF APPROPRIATIONS FOR PUBLIC CHARTER SCHOOL BOARD.

Section 2214(g) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 1321–133; D.C. Code §31–2853.24(g)) is amended by inserting ''to the Board'' after ''appropriated''.

SEC. 307. ADJUSTMENT OF ANNUAL PAYMENT FOR RESIDENTIAL SCHOOLS.

Section 2401(b)(3)(B) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 1321–137; D.C. Code §31–2853.41(b)(3)(B)) is amended—

(1) in clause (i), by striking ''or'';

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

(3) by adding at the end the following:

''(iii) to whom the school provides room and board in a residential setting.''.

SEC. 308. ADJUSTMENT OF ANNUAL PAYMENT FOR FACILITIES COSTS.

Section 2401(b)(3) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 1321–137; D.C. Code §31–2853.41(b)(3)) is amended by adding at the end the following:

''(C) ADJUSTMENT FOR FACILITIES COSTS.—Notwithstanding paragraph (2), the Mayor and the District of Columbia Council, in consultation with the Board of Education and the Superintendent, shall adjust the amount of the annual payment under paragraph (1) to increase the amount of such payment for a public charter school to take into account leases or purchases of, or improvements to, real property, if the school, not later than April 1 of the fiscal year preceding the payment, requests such an adjustment.''.

SEC. 309. PAYMENTS TO NEW CHARTER SCHOOLS.

(a) IN GENERAL.—Section 2403(b) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 1321–140; D.C. Code §31–2853.43(b)) is amended to read as follows:

''(b) PAYMENTS TO NEW SCHOOLS.—

''(1) ESTABLISHMENT OF FUND.—There is established in the general fund of the District of Columbia a fund to be known as the 'New Charter School Fund'.

''(2) CONTENTS OF FUND.—The New Charter School Fund shall consist of—

''(A) unexpended and unobligated amounts appropriated from local funds for public charter schools for fiscal year 1997 that reverted to the general fund of the District of Columbia;

''(B) amounts credited to the fund in accordance with this subsection upon the receipt by a public charter school described in paragraph (5) of its first initial payment under subsection (a)(2)(A) or its first final payment under subsection (a)(2)(B); and

''(C) any interest earned on such amounts.

''(3) EXPENDITURES FROM FUND.—

''(A) IN GENERAL.—Not later than June 1, 1998, and not later than June 1 of each year thereafter, the Chief Financial Officer of the District of Columbia shall pay, from the New Charter School Fund, to each public charter school described in paragraph (5), an amount equal to 25 percent of the amount yielded by multiplying the uniform dollar amount used in the formula established under section 2401(b) by the total anticipated enrollment as set forth in the petition to establish the public charter school.

''(B) PRO RATA REDUCTION.—If the amounts in the New Charter School Fund for any year are insufficient to pay the full amount that each public charter school described in paragraph (5) is eligible to receive under this subsection for such year, the Chief Financial Officer of the District of Columbia shall ratably reduce such amounts for such year on the basis of the formula described in section 2401(b).

''(C) FORM OF PAYMENT.—Payments under this subsection shall be made by electronic funds transfer from the New Charter School Fund to a bank designated by a public charter school.

''(4) CREDITS TO FUND.—Upon the receipt by a public charter school described in paragraph (5) of—

''(A) its first initial payment under subsection (a)(2)(A), the Chief Financial Officer of the District of Columbia shall credit the New Charter School Fund with 75 percent of the amount paid to the school under paragraph (3); and

''(B) its first final payment under subsection (a)(2)(B), the Chief Financial Officer of the District of Columbia shall credit the New Charter School Fund with 25 percent of the amount paid to the school under paragraph (3).

''(5) SCHOOLS DESCRIBED.—A public charter school described in this paragraph is a public charter school that—

''(A) did not enroll any students during any portion of the fiscal year preceding the most recent fiscal year for which funds are appropriated to carry out this subsection; and

''(B) operated as a public charter school during the most recent fiscal year for which funds are appropriated to carry out this subsection.

''(6) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Chief Financial Officer of the District of Columbia such sums as may be necessary to carry out this subsection for each fiscal year.''.

(b) REDUCTION OF ANNUAL PAYMENT.—

(1) INITIAL PAYMENT.—Section 2403(a)(2)(A) of the District of Columbia School Reform Act (Public Law 104–134; 110 Stat. 1321–139; D.C. Code §31–2853.43(a)(2)(A)) is amended to read as follows:

''(A) INITIAL PAYMENT.—

''(i) IN GENERAL.—Except as provided in clause (ii), not later than October 15, 1996, and not later than October 15 of each year thereafter, the Mayor shall transfer, by electronic funds transfer, an amount equal to 75 percent of the amount of the annual payment for each public charter school determined by using the formula established pursuant to section 2401(b) to a bank designated by such school.

''(ii) REDUCTION IN CASE OF NEW SCHOOL.—In the case of a public charter school that has received a payment under subsection (b) in the fiscal year immediately preceding the fiscal year in which a transfer under clause (i) is made, the amount transferred to the school under clause (i) shall be reduced by an amount equal to 75 percent of the amount of the payment under subsection (b).''.

(2) FINAL PAYMENT.—Section 2403(a)(2)(B) of the District of Columbia School Reform Act (Public Law 104–134; 110 Stat. 1321–139; D.C. Code §31–2853.43(a)(2)(B)) is amended—

(A) in clause (i)—

(i) by inserting ''IN GENERAL.—'' before ''Except''; and

(ii) by striking ''clause (ii),'' and inserting ''clauses (ii) and (iii),'';

(B) in clause (ii), by inserting ''ADJUSTMENT FOR ENROLLMENT.—'' before ''Not later than March 15, 1997,''; and

(C) by adding at the end the following:

''(iii) REDUCTION IN CASE OF NEW SCHOOL.—In the case of a public charter school that has received a payment under subsection (b) in the fiscal year immediately preceding the fiscal year in which a transfer under clause (i) is made, the amount transferred to the school under clause (i) shall be reduced by an amount equal to 25 percent of the amount of the payment under subsection (b).''.

SEC. 310. ELIGIBILITY CRITERIA FOR PRIVATE, NONPROFIT CORPORATION.

Section 2603 of the District of Columbia School Reform Act (Public Law 104–134; 110 Stat. 1321–144; D.C. Code §31–2853.63) is amended to read as follows:

''SEC. 2603. ELIGIBILITY CRITERIA FOR PRIVATE, NONPROFIT CORPORATION.

''A private, nonprofit corporation shall be eligible to receive a grant under section 2602 if the corporation is a business organization incorporated in the District of Columbia, that—

''(1) has a board of directors which includes members who are also executives of technology-related corporations involved in education and workforce development issues;

''(2) has extensive practical experience with initiatives that link business resources and expertise with education and training systems;

''(3) has experience in working with State and local educational agencies with respect to the integration of academic studies with workforce preparation programs; and

''(4) has a structure through which additional resources can be leveraged and innovative practices disseminated.''.

Subtitle B—Student Opportunity Scholarships

SEC. 341. DEFINITIONS.

As used in this subtitle—

(1) the term ''Board'' means the Board of Directors of the Corporation established under section 342(b)(1);

(2) the term ''Corporation'' means the District of Columbia Scholarship Corporation established under section 342(a);

(3) the term ''eligible institution''—

(A) in the case of an eligible institution serving a student who receives a tuition scholarship under section 343(d)(1), means a public, private, or independent elementary or secondary school; and

(B) in the case of an eligible institution serving a student who receives an enhanced achievement scholarship under section 343(d)(2), means an elementary or secondary school, or an entity that provides services to a student enrolled in an elementary or secondary school to enhance such student's achievement through activities described in section 343(d)(2);

(4) the term ''parent'' includes a legal guardian or other person standing in loco parentis; and

(5) the term ''poverty line'' means the income official 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.

SEC. 342. DISTRICT OF COLUMBIA SCHOLARSHIP CORPORATION.

(a) GENERAL REQUIREMENTS.—

(1) IN GENERAL.—There is authorized to be established a private, nonprofit corporation, to be known as the ''District of Columbia Scholarship Corporation'', which is neither an agency nor establishment of the United States Government or the District of Columbia Government.

(2) DUTIES.—The Corporation shall have the responsibility and authority to administer, publicize, and evaluate the scholarship program in accordance with this subtitle, and to determine student and school eligibility for participation in such program.

(3) CONSULTATION.—The Corporation shall exercise its authority—

(A) in a manner consistent with maximizing educational opportunities for the maximum number of interested families; and

(B) in consultation with the District of Columbia Board of Education or entity exercising administrative jurisdiction over the District of Columbia Public Schools, the Superintendent of the District of Columbia Public Schools, and other school scholarship programs in the District of Columbia.

(4) APPLICATION OF PROVISIONS.—The Corporation shall be subject to the provisions of this subtitle, and, to the extent consistent with this subtitle, to the District of Columbia Nonprofit Corporation Act (D.C. Code, sec. 29–501 et seq.).

(5) RESIDENCE.—The Corporation shall have its place of business in the District of Columbia and shall be considered, for purposes of venue in civil actions, to be a resident of the District of Columbia.

(6) FUND.—There is established in the Treasury a fund that shall be known as the District of Columbia Scholarship Fund, to be administered by the Secretary of the Treasury.

(7) DISBURSEMENT.—The Secretary of the Treasury shall make available and disburse to the Corporation, before October 15 of each fiscal year or not later than 15 days after the date of enactment of an Act making appropriations for the District of Columbia for such year, whichever occurs later, such funds as have been appropriated to the District of Columbia Scholarship Fund for the fiscal year in which such disbursement is made.

(8) AVAILABILITY.—Funds authorized to be appropriated under this subtitle shall remain available until expended.

(9) USES.—Funds authorized to be appropriated under this subtitle shall be used by the Corporation in a prudent and financially responsible manner, solely for scholarships, contracts, and administrative costs.

(10) AUTHORIZATION.—

(A) IN GENERAL.—There are authorized to be appropriated to the District of Columbia Scholarship Fund—

(i) $7,000,000 for fiscal year 1998;

(ii) $8,000,000 for fiscal year 1999; and

(iii) $10,000,000 for each of fiscal years 2000 through 2002.

(B) LIMITATION.—Not more than 7.5 percent of the amount appropriated to carry out this subtitle for any fiscal year may be used by the Corporation for salaries and administrative costs.

(b) ORGANIZATION AND MANAGEMENT; BOARD OF DIRECTORS.—

(1) BOARD OF DIRECTORS; MEMBERSHIP.—

(A) IN GENERAL.—The Corporation shall have a Board of Directors (referred to in this subtitle as the ''Board''), comprised of 7 members with 6 members of the Board appointed by the President not later than 30 days after receipt of nominations from the Speaker of the House of Representatives and the majority leader of the Senate.

(B) HOUSE NOMINATIONS.—The President shall appoint 3 of the members from a list of 9 individuals nominated by the Speaker of the House of Representatives in consultation with the minority leader of the House of Representatives.

(C) SENATE NOMINATIONS.—The President shall appoint 3 members from a list of 9 individuals nominated by the majority leader of the Senate in consultation with the minority leader of the Senate.

(D) DEADLINE.—The Speaker of the House of Representatives and majority leader of the Senate shall submit their nominations to the President not later than 30 days after the date of the enactment of this Act.

(E) APPOINTEE OF MAYOR.—The Mayor shall appoint 1 member of the Board not later than 60 days after the date of the enactment of this Act.

(F) POSSIBLE INTERIM MEMBERS.—If the President does not appoint the 6 members of the Board in the 30-day period described in subparagraph (A), then the Speaker of the House of Representatives and the Majority Leader of the Senate shall each appoint 2 members of the Board, and the Minority Leader of the House of Representatives and the Minority Leader of the Senate shall each appoint 1 of the Board, from among the individuals nominated pursuant to subparagraphs (A) and (B), as the case may be. The appointees under the preceding sentence together with the appointee of the Mayor, shall serve as an interim Board with all the powers and other duties of the Board described in this subtitle, until the President makes the appointments as described in this paragraph.

(2) POWERS.—All powers of the Corporation shall vest in and be exercised under the authority of the Board.

(3) ELECTIONS.—Members of the Board annually shall elect 1 of the members of the Board to be chairperson of the Board.

(4) RESIDENCY.—All members appointed to the Board shall be residents of the District of Columbia at the time of appointment and while serving on the Board.

(5) NONEMPLOYEE.—No member of the Board may be an employee of the United States Government or the District of Columbia Government when appointed to or during tenure on the Board, unless the individual is on a leave of absence from such a position while serving on the Board.

(6) INCORPORATION.—The members of the initial Board shall serve as incorporators and shall take whatever steps are necessary to establish the Corporation under the District of Columbia Nonprofit Corporation Act (D.C. Code, sec. 29–501 et seq.).

(7) GENERAL TERM.—The term of office of each member of the Board shall be 5 years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which the predecessor was appointed shall be appointed for the remainder of such term.

(8) CONSECUTIVE TERM.—No member of the Board shall be eligible to serve in excess of 2 consecutive terms of 5 years each. A partial term shall be considered as 1 full term. Any vacancy on the Board shall not affect the Board's power, but shall be filled in a manner consistent with this subtitle.

(9) NO BENEFIT.—No part of the income or assets of the Corporation shall inure to the benefit of any Director, officer, or employee of the Corporation, except as salary or reasonable compensation for services.

(10) POLITICAL ACTIVITY.—The Corporation may not contribute to or otherwise support any political party or candidate for elective public office.

(11) NO OFFICERS OR EMPLOYEES.—The members of the Board shall not, by reason of such membership, be considered to be officers or employees of the United States Government or of the District of Columbia Government.

(12) STIPENDS.—The members of the Board, while attending meetings of the Board or while engaged in duties related to such meetings or other activities of the Board pursuant to this subtitle, shall be provided a stipend. Such stipend shall be at the rate of $150 per day for which the member of the Board is officially recorded as having worked, except that no member may be paid a total stipend amount in any calendar year in excess of $5,000.

(c) OFFICERS AND STAFF.—

(1) EXECUTIVE DIRECTOR.—The Corporation shall have an Executive Director, and such

other staff, as may be appointed by the Board for terms and at rates of compensation, not to exceed level EG–16 of the Educational Service of the District of Columbia, to be fixed by the Board.

(2) STAFF.—With the approval of the Board, the Executive Director may appoint and fix the salary of such additional personnel as the Executive Director considers appropriate.

(3) ANNUAL RATE.—No staff of the Corporation may be compensated by the Corporation at an annual rate of pay greater than the annual rate of pay of the Executive Director.

(4) SERVICE.—All officers and employees of the Corporation shall serve at the pleasure of the Board.

(5) QUALIFICATION.—No political test or qualification may be used in selecting, appointing, promoting, or taking other personnel actions with respect to officers, agents, or employees of the Corporation.

(d) POWERS OF THE CORPORATION.—

(1) GENERALLY.—The Corporation is authorized to obtain grants from, and make contracts with, individuals and with private, State, and Federal agencies, organizations, and institutions.

(2) HIRING AUTHORITY.—The Corporation may hire, or accept the voluntary services of, consultants, experts, advisory boards, and panels to aid the Corporation in carrying out this subtitle.

(e) FINANCIAL MANAGEMENT AND RECORDS.—

(1) AUDITS.—The financial statements of the Corporation shall be—

(A) maintained in accordance with generally accepted accounting principles for nonprofit corporations; and

(B) audited annually by independent certified public accountants.

(2) REPORT.—The report for each such audit shall be included in the annual report to Congress required by section 350(c).

(f) RESPONSIBILITIES OF THE CORPORATION.—

(1) APPLICATION SCHEDULE AND PROCEDURES FOR CERTIFICATION.—Not later than 60 days after the Board has been appointed, the Corporation shall implement a schedule and procedures for processing applications for awarding student scholarships under this subtitle that includes a list of certified eligible institutions, distribution of information to parents and the general public (including through a newspaper of general circulation), and deadlines for steps in the scholarship application and award process.

(2) APPLICATION.—An eligible institution that desires to participate in the scholarship program under this subtitle shall file an application with the Corporation for certification for participation in the scholarship program under this subtitle which shall—

(A) demonstrate that the eligible institution has operated with not less than 25 students during the 3 years preceding the year for which the determination is made unless the eligible institution is applying for certification as a new eligible institution under subsection (c);

(B) contain an assurance that the eligible institution will comply with all applicable requirements of this subtitle;

(C) contain an annual statement of the eligible institution's budget; and

(D) describe the eligible institution's proposed program, including personnel qualifications and fees.

(3) CERTIFICATION.—

(A) IN GENERAL.—Not later than 60 days after receipt of an application in accordance with paragraph (2), the Corporation shall certify an eligible institution to participate in the scholarship program under this subtitle.

(B) CONTINUATION.—An eligible institution's certification to participate in the scholarship program shall continue unless such eligible institution's certification is revoked in accordance with paragraph (5).

(4) NEW ELIGIBLE INSTITUTION.—

(A) IN GENERAL.—An eligible institution that did not operate with at least 25 students in the 3 years preceding the year for which the determination is made may apply for a 1-year provisional certification to participate in the scholarship program under this subtitle for a single year by providing to the Corporation not later than July 1 of the year preceding the year for which the determination is made—

(i) a list of the eligible institution's board of directors;

(ii) letters of support from not less than 10 members of the community served by such eligible institution;

(iii) a business plan;

(iv) an intended course of study;

(v) assurances that the eligible institution will begin operations with not less than 25 students;

(vi) assurances that the eligible institution will comply with all applicable requirements of this subtitle; and

(vii) a statement that satisfies the requirements of paragraphs (2) and (4) of subsection (a).

(B) CERTIFICATION.—Not later than 60 days after the date of receipt of an application described in paragraph (2), the Corporation shall certify in writing the eligible institution's provisional certification to participate in the scholarship program under this subtitle unless the Corporation determines that good cause exists to deny certification.

(C) RENEWAL OF PROVISIONAL CERTIFICATION.—After receipt of an application under subparagraph (A) from an eligible institution that includes a statement of the eligible institution's budget completed not earlier than 12 months before the date such application is filed, the Corporation shall renew an eligible institution's provisional certification for the second and third years of the school's participation in the scholarship program under this subtitle unless the Corporation finds—

(i) good cause to deny the renewal, including a finding of a pattern of violation of requirements described in paragraph (6)(A); or

(ii) consistent failure of 25 percent or more of the students receiving scholarships under this subtitle and attending such school to make appropriate progress (as determined by the Corporation) in academic achievement.

(D) DENIAL OF CERTIFICATION.—If provisional certification or renewal of provisional certification under this paragraph is denied, then the Corporation shall provide a written explanation to the eligible institution of the reasons for such denial.

(5) REVOCATION OF ELIGIBILITY.—

(A) IN GENERAL.—The Corporation, after notice and hearing, may revoke an eligible institution's certification to participate in the scholarship program under this subtitle for a year succeeding the year for which the determination is made for—

(i) good cause, including a finding of a pattern of violation of program requirements described in paragraph (6)(A); or

(ii) consistent failure of 25 percent or more of the students receiving scholarships under this subtitle and attending such school to make appropriate progress (as determined by the Corporation) in academic achievement.

(B) EXPLANATION.—If the certification of an eligible institution is revoked, the Corporation shall provide a written explanation of its decision to such eligible institution and require a pro rata refund of the payments received under this subtitle.

(6) PARTICIPATION REQUIREMENTS FOR ELIGIBLE INSTITUTIONS.—

(A) REQUIREMENTS.—Each eligible institution participating in the scholarship program under this subtitle shall—

(i) provide to the Corporation not later than June 30 of each year the most recent annual statement of the eligible institution's budget; and

(ii) charge a student that receives a scholarship under this subtitle not more than the cost of tuition and mandatory fees for, and transportation to attend, such eligible institution as other students who are residents of the District of Columbia and enrolled in such eligible institution.

(B) COMPLIANCE.—The Corporation may require documentation of compliance with the requirements of subsection (a), but neither the Corporation nor any governmental entity may impose additional requirements upon an eligible institution as a condition of participation in the scholarship program under this subtitle.

SEC. 343. SCHOLARSHIPS AUTHORIZED.

(a) ELIGIBLE STUDENTS.—The Corporation is authorized to award tuition scholarships under subsection (d)(1) and enhanced achievement scholarships under subsection (d)(2) to students in kindergarten through grade 12—

(1) who are residents of the District of Columbia; and

(2) whose family income does not exceed 185 percent of the poverty line.

(b) SCHOLARSHIP PRIORITY.—

(1) FIRST.—The Corporation shall first award scholarships to students described in subsection (a) who—

(A) are enrolled in a District of Columbia public school or preparing to enter a District of Columbia kindergarten, except that this subparagraph shall apply only for academic years 1997, 1998, and 1999; or

(B) have received a scholarship from the Corporation in the year preceding the year for which the scholarship is awarded.

(2) SECOND.—If funds remain for a fiscal year for awarding scholarships after awarding scholarships under paragraph (1), the Corporation shall award scholarships to students described in subsection (a) who are not described in paragraph (1).

(c) RANDOM SELECTION.—Except as provided in subsections (a) and (b), if there are more applications to participate in the scholarship program than there are spaces available, a student shall be admitted using a random selection process.

(d) USE OF SCHOLARSHIP.—

(1) TUITION SCHOLARSHIPS.—A tuition scholarship may be used for the payment of the cost of the tuition and mandatory fees at a public, private, or independent school located within the geographic boundaries of the District of Columbia or the cost of the tuition and mandatory fees at a public, private, or independent school located within Montgomery County, Maryland; Prince Georges County, Maryland; Arlington County, Virginia; Alexandria City, Virginia; Falls Church City, Virginia; Fairfax City, Virginia; or Fairfax County, Virginia.

(2) ENHANCED ACHIEVEMENT SCHOLARSHIP.—An enhanced achievement scholarship may be used only for the payment of the costs of tuition and mandatory fees for, or transportation to attend, a program of instruction provided by an eligible institution which enhances student achievement of the core curriculum and is operated outside of regular school hours to supplement the regular school program.

(e) NOT SCHOOL AID.—A scholarship under this subtitle shall be considered assistance to the student and shall not be considered assistance to an eligible institution.

SEC. 344. SCHOLARSHIP AWARDS.

(a) AWARDS.—From the funds made available under this subtitle, the Corporation

shall award a scholarship to a student and make payments in accordance with section 345 on behalf of such student to a participating eligible institution chosen by the parent of the student.

(b) NOTIFICATION.—Each eligible institution that accepts a student who has received a scholarship under this subtitle shall notify the Corporation not later than 10 days after—

(1) the date that a student receiving a scholarship under this subtitle is enrolled, of the name, address, and grade level of such student;

(2) the date of the withdrawal or expulsion of any student receiving a scholarship under this subtitle, of the withdrawal or expulsion; and

(3) the date that a student receiving a scholarship under this subtitle is refused admission, of the reasons for such a refusal.

(c) TUITION SCHOLARSHIP.—

(1) EQUAL TO OR BELOW POVERTY LINE.—For a student whose family income is equal to or below the poverty line, a tuition scholarship may not exceed the lesser of—

(A) the cost of tuition and mandatory fees for, and transportation to attend, an eligible institution; or

(B) $3,200 for fiscal year 1998, with such amount adjusted in proportion to changes in the Consumer Price Index for all urban consumers published by the Department of Labor for each of fiscal years 1999 through 2002.

(2) ABOVE POVERTY LINE.—For a student whose family income is greater than the poverty line, but not more than 185 percent of the poverty line, a tuition scholarship may not exceed the lesser of—

(A) 75 percent of the cost of tuition and mandatory fees for, and transportation to attend, an eligible institution; or

(B) $2,400 for fiscal year 1998, with such amount adjusted in proportion to changes in the Consumer Price Index for all urban consumers published by the Department of Labor for each of fiscal years 1999 through 2002.

(d) ENHANCED ACHIEVEMENT SCHOLARSHIP.—An enhanced achievement scholarship may not exceed the lesser of—

(1) the costs of tuition and mandatory fees for, or transportation to attend, a program of instruction at an eligible institution; or

(2) $500 for 1998, with such amount adjusted in proportion to changes in the Consumer Price Index for all urban consumers published by the Department of Labor for each of fiscal years 1999 through 2002.

SEC. 345. SCHOLARSHIP PAYMENTS.

(a) DISBURSEMENT OF SCHOLARSHIPS.—The funds may be distributed by check or another form of disbursement which is issued by the Corporation and made payable directly to a parent of a student participating in the scholarship program under this subtitle. The parent may use such funds only as payment for tuition, mandatory fees, and transportation costs associated with attending or obtaining services from a participating eligible institution.

(b) PRO RATA AMOUNTS FOR STUDENT WITHDRAWAL.—

(1) BEFORE PAYMENT.—If a student receiving a scholarship withdraws or is expelled from an eligible institution before a scholarship payment is made, the eligible institution shall receive a pro rata payment based on the amount of the scholarship and the number of days the student was enrolled in the eligible institution.

(2) AFTER PAYMENT.—If a student receiving a scholarship withdraws or is expelled after a scholarship payment is made, the eligible institution shall refund to the Corporation on a pro rata basis the proportion of any scholarship payment received for the remaining days of the school year. Such refund shall occur not later than 30 days after the date of the withdrawal or expulsion of the student.

SEC. 346. CIVIL RIGHTS.

(a) IN GENERAL.—An eligible institution participating in the scholarship program under this subtitle shall not engage in any practice that discriminates on the basis of race, color, national origin, or sex.

(b) EXCEPTION.—Nothing in this Act shall be construed to prevent a parent from choosing or an eligible institution from offering, a single-sex school, class, or activity.

(c) REVOCATION.—Notwithstanding section 342(f), if the Corporation determines that an eligible institution participating in the scholarship program under this title is in violation of any of the laws listed in subsection (a), then the Corporation shall revoke such eligible institution's certification to participate in the program.

SEC. 347. CHILDREN WITH DISABILITIES.

Nothing in this subtitle shall affect the rights of students, or the obligations of the District of Columbia public schools, under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

SEC. 348. RULE OF CONSTRUCTION.

(a) IN GENERAL.—Nothing in this Act shall be construed to bar any eligible institution which is operated, supervised, or controlled by, or in connection with, a religious organization from limiting employment, or admission to, or giving preference to persons of the same religion as is determined by such institution to promote the religious purpose for which it is established or maintained.

(b) SECTARIAN PURPOSES.—Nothing in this Act shall preclude the use of funds authorized under this Act for sectarian educational purposes or to require an eligible institution to remove religious art, icons, scripture, or other symbols.

SEC. 349. REPORTING REQUIREMENTS.

(a) IN GENERAL.—An eligible institution participating in the scholarship program under this subtitle shall report not later than July 30 of each year in a manner prescribed by the Corporation, the following data:

(1) Student achievement in the eligible institution's programs.

(2) Grade advancement for scholarship students.

(3) Disciplinary actions taken with respect to scholarship students.

(4) Graduation, college admission test scores, and college admission rates, if applicable for scholarship students.

(5) Types and amounts of parental involvement required for all families of scholarship students.

(6) Student attendance for scholarship and nonscholarship students.

(7) General information on curriculum, programs, facilities, credentials of personnel, and disciplinary rules at the eligible institution.

(8) Number of scholarship students enrolled.

(9) Such other information as may be required by the Corporation for program appraisal.

(b) CONFIDENTIALITY.—No personal identifiers may be used in such report, except that the Corporation may request such personal identifiers solely for the purpose of verification.

SEC. 350. PROGRAM APPRAISAL.

(a) STUDY.—Not later than 4 years after the date of enactment of this Act, the Comptroller General shall enter into a contract, with an evaluating agency that has demonstrated experience in conducting evaluations, for an independent evaluation of the scholarship program under this subtitle, including—

(1) a comparison of test scores between scholarship students and District of Columbia public school students of similar backgrounds, taking into account the students' academic achievement at the time of the award of their scholarships and the students' family income level;

(2) a comparison of graduation rates between scholarship students and District of Columbia public school students of similar backgrounds, taking into account the students' academic achievement at the time of the award of their scholarships and the students' family income level;

(3) the satisfaction of parents of scholarship students with the scholarship program; and

(4) the impact of the scholarship program on the District of Columbia public schools, including changes in the public school enrollment, and any improvement in the academic performance of the public schools.

(b) PUBLIC REVIEW OF DATA.—All data gathered in the course of the study described in subsection (a) shall be made available to the public upon request except that no personal identifiers shall be made public.

(c) REPORT TO CONGRESS.—Not later than September 1 of each year, the Corporation shall submit a progress report on the scholarship program to the appropriate committees of Congress. Such report shall include a review of how scholarship funds were expended, including the initial academic achievement levels of students who have participated in the scholarship program.

(d) AUTHORIZATION.—There are authorized to be appropriated for the study described in subsection (a), $250,000, which shall remain available until expended.

SEC. 351. JUDICIAL REVIEW.

(a) IN GENERAL.—The United States District Court for the District of Columbia shall have jurisdiction in any action challenging the scholarship program under this subtitle and shall provide expedited review.

(b) APPEAL TO SUPREME COURT.—Notwithstanding any other provision of law, any order of the United States District Court for the District of Columbia which is issued pursuant to an action brought under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States.

SEC. 352. EFFECTIVE DATE.

This subtitle shall be effective for each of the fiscal years 1998 through 2002.

Subtitle C—Other Education Reforms

SEC. 361. REDUCTION IN ADMINISTRATIVE STAFF.

At any time after June 30, 1998, the total number of full-time-equivalent employees of the District of Columbia Public Schools whose principal duty is not classroom instruction may not exceed the number of such full-time-equivalent employees as of September 30, 1997, reduced by 200.

SEC. 362. DEVELOPMENT OF PERFORMANCE CRITERIA FOR TEACHERS.

The District of Columbia Public Schools shall develop and implement performance benchmarks for teachers, based on the ability of students to improve by at least one grade level each year in performance on standardized tests, and shall establish incentives to encourage teachers to meet such benchmarks.

SEC. 363. PERMITTING WAIVER OF CERTAIN CONTRACTING REQUIREMENTS FOR SCHOOL CONSTRUCTION AND REPAIR.

In carrying out any construction or repair project for the District of Columbia Public Schools, the Contracting Officer for the District of Columbia Public Schools may waive any statutory requirements referred to under the headings 'Davis-Bacon Act' and 'Copeland Act' in the document entitled

''District of Columbia Public Schools Standard Contract Provisions'' (as such document was in effect on November 2, 1995 and including any revisions or modifications to such document) published by the District of Columbia public schools for use with construction or maintenance projects, except that nothing in this section may be construed to permit the waiver of any requirements under Executive Order 11246 or other civil rights standards.

SEC. 364. REPEAL OF TAX EXEMPTION FOR LABOR ORGANIZATIONS.

(a) IN GENERAL.—Notwithstanding any provision of any Federally-granted charter or any other provision of law, the real property of any labor organization located in the District of Columbia shall be subject to taxation by the District of Columbia in the same manner as any similar organization.

(b) LABOR ORGANIZATION DEFINED.—In subsection (a), the term ''labor organization'' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

SEC. 365. TREATMENT OF SUPERVISORY PERSONNEL AS AT-WILL EMPLOYEES.

Notwithstanding any other provision of law or regulation (including any law or regulation providing for collective bargaining or the enforcement of any collective bargaining agreement), all supervisory personnel of the District of Columbia Public Schools shall be appointed by, shall serve at the pleasure of, and shall act under the direction and control of the Emergency Transitional Education Board of Trustees, and shall be considered at-will employees not covered by the District of Columbia Government Comprehensive Merit Personnel Act of 1978.

SEC. 366. DETERMINATION OF NUMBER OF STUDENTS ENROLLED.

Not later than 30 days after the date of the enactment of this Act, and not later than 30 days after the beginning of each semester which begins after such date, the District of Columbia Auditor shall submit a report to Congress, the Mayor, the Council, the Chief Financial Officer of the District of Columbia, and the District of Columbia Financial Responsibility and Management Assistance Authority providing the most recent information available on the number of students enrolled in the District of Columbia Public Schools and the average daily attendance of such students.

SEC. 367. BUDGETING ON SCHOOL-BY-SCHOOL BASIS.

(a) PREPARATION OF INITIAL BUDGETS.—Not later than 30 days after the date of the enactment of this Act, the District of Columbia Public Schools shall prepare and submit to Congress a budget for each public elementary and secondary school for fiscal year 1998 which describes the amount expected to be expended with respect to the school for salaries, capital, and other appropriate categories of expenditures.

(b) USE OF BUDGETS FOR FUTURE AGGREGATE BUDGET.—The District of Columbia Public Schools shall use the budgets prepared for individual schools under subsection (a) to prepare the overall budget for the Schools for fiscal year 1999.

SEC. 368. REQUIRING PROOF OF RESIDENCY FOR INDIVIDUALS ATTENDING SCHOOLS AND SCHOOL CHILD CARE PROGRAMS.

None of the funds made available in this Act or any other Act may be used by the District of Columbia Public Schools in fiscal year 1998 or any succeeding fiscal year to provide classroom instruction or child care services to any minor whose parent or guardian does not supply the Schools with proof of the State of the minor's residence.

SEC. 369. DISTRICT OF COLUMBIA SCHOOL OF LAW.

(a) REQUIRING FULL ACCREDITATION.—

(1) IN GENERAL.—If the District of Columbia School of Law is not fully, unconditionally accredited by the American Bar Association as of at its midyear meeting in February 1998 none of the funds made available in this Act or any other Act may be expended for or on behalf of the School except for purposes of providing assistance to assist students enrolled at the School as of such date who are residents of the District of Columbia in paying the tuition for enrollment at other law schools in the Washington Metropolitan Area, in accordance with a plan submitted to Congress.

(2) RESTRICTIONS ON USE OF FUNDS PRIOR TO ACCREDITATION.—None of the funds made available in this Act or any other Act may be used by or on behalf of the District of Columbia School of Law for recruiting or capital projects until the School is fully, unconditionally accredited by the American Bar Association.

(b) NO OTHER SOURCE OF FUNDING PERMITTED.—None of the funds made available in this Act or any other Act for the use of any entity (including the University of the District of Columbia) other than the District of Columbia School of Law may be transferred to, made available for, or expended for or on behalf of the District of Columbia School of Law.

SEC. 370. WAIVER OF LIABILITY IN PRO BONO ARRANGEMENTS.

(a) IN GENERAL.—Notwithstanding any other provision of law or any rule or regulation—

(1) any person who voluntarily provides goods or services to or on behalf of the District of Columbia Public Schools without the expectation of receiving or intending to receive compensation shall be immune from civil liability, both personally and professionally, for any act or omission occurring in the course of providing such goods or services (except as provided in subsection (b)); and

(2) the District of Columbia (including the District of Columbia Public Schools) shall be immune from civil liability for any act or omission of any person voluntarily providing goods or services to or on behalf of the District of Columbia Public Schools.

(b) EXCEPTION FOR INTENTIONAL ACTS OR ACTS OF GROSS NEGLIGENCE.—Subsection (a)(1) shall not apply with respect to any person if the act or omission involved—

(1) constitutes gross negligence;

(2) constitutes an intentional tort; or

(3) is criminal in nature.

(c) EFFECTIVE DATE.—This section shall apply with respect to the provision of goods and services occurring during fiscal year 1998 or any succeeding fiscal year.

This Act may be cited as the ''District of Columbia Appropriations, Medical Liability Reform, and Education Reform Act of 1998''.

The CHAIRMAN pro tempore. No further amendment shall be in order except those printed in House Report 105–315, which may be considered only in the order specified, may be offered only by a Member designated in the report, shall be considered read, shall be debated for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment except as specified in the report and shall not be subject to a demand for a division of the question.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any proposed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

It is now in order to consider amendment No. 1 printed in part II of House Report 105–315.

AMENDMENT NO. 1 OFFERED BY MR. SABO

Mr. SABO. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. SABO:

Page 173, strike line 21 and all that follows through page 174, line 9 (and redesignate the succeeding sections accordingly).

The CHAIRMAN pro tempore. Pursuant to House Resolution 264, the gentleman from Minnesota [Mr. SABO] and a Member opposed, each will control 5 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. SABO].

Mr. SABO. Mr. Chairman, I yield myself 1½ minutes.

Mr. Chairman, over 65 years ago, Davis-Bacon passed the Congress, named after a Republican Member of the House and a Republican Secretary of Labor. It has served good public policy for 65 years. Some want to change it. I would simply say to those who want to change it, go through the committees, bring it to the floor and let us debate it on its merits. We cannot do that in 10 minutes today.

What does this bill do? It suspends Davis-Bacon in the District of Columbia on certain construction contracts subject to the desire of the contracting officer. Let me say that again. We are going to change 65 years of public policy in this country subject to the desires and whims of a contracting officer in the District of Columbia; not any elected body, not even the control board, but a contracting officer. What a horrendous way to run this place. This provision does not belong in this bill. Let us take it out.

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

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 1 minute to the gentlewoman from Kentucky [Mrs. NORTHUP].

Mrs. NORTHUP. Mr. Chairman, today there are several Washington, DC schools that are still closed due to construction problems. Earlier this year there were many that were delayed most of September because of construction problems. We need to not prescribe Davis-Bacon because it is expensive and it is an accounting nightmare. These schools need to stretch their construction money so that they can deal with the construction problems they have.

This is not about fair labor rates. The fact is, this is about taking advantage of working Americans and the

taxes they pay all across this country to subsidize labor rates to extraordinarily high levels. My taxpayers in Kentucky are paid far less than the wages we would prescribe. We have factory workers, policemen, teachers, gas station attendants, hair stylists, lots of people that go to work every day, and pay their taxes. We are asking them to subsidize wages at much higher rates. Their Federal tax money should not be wasted on these extraordinarily high rates. We should have the Government able to bid for these jobs just like we do everything else the Government purchases.

Mr. SABO. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. QUINN].

Mr. QUINN. Mr. Chairman, I rise this afternoon in support of the Sabo amendment. As we consider this amendment this afternoon I want to point out to my colleagues three quick points.

First of all, this is not the way that we should be altering a very significant Federal law. If we are interested in looking into the effects of Davis-Bacon on construction costs, we should conduct hearings, we should have a fair and open debate and then we should do it the right way and not legislate on appropriations.

Second, Davis-Bacon simply ensures that wages and working conditions at a given locality are observed on federally funded construction programs. It does not require a payment of a minimum wage.

Thirdly, if the prevailing wage laws are repealed, it would in essence allow contractors to use the vast procurement power of the Federal Government to depress wages of construction workers and then cut those wages to win the Federal projects that they desire.

In closing, I would ask our colleagues to protect construction workers this afternoon. Do not circumvent the legislative process by legislating through appropriations, and vote ''yes'' on the Sabo amendment.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. TIAHRT], a member of the subcommittee.

Mr. TIAHRT. Mr. Chairman, I rise to oppose this motion to strike the Davis-Bacon waiver. This is not a repeal of Davis-Bacon. This is a waiver.

Last March, TV ads were aired in Wichita. Let me quote them. They said: ''My son's school is literally falling apart, plaster is falling from the ceiling. It is just not safe. Millions of kids go to school each day in buildings that are aging, crumbling, even unsafe, but instead of spending our money to fix America's schools, Washington gives it away. Call Congressman Tiahrt, tell him to protect our kids, not special interests.'' Paid for by the AFL–CIO.

This very provision would strike the waiver for Davis-Bacon. This means that only union workers can work on the schools in the District of Columbia. Americans all know that this will be limiting competition, that it will be driving up repair costs, that it will be hurting the children in the District of Columbia, at the expense of the children, so that we could favor special interests.

It will protect special interests, special interests of the AFL–CIO, of the labor unions, at the cost of better schools for District of Columbia children. Exactly opposite of what the ad that was run by the AFL–CIO. Yet the ads which appeared in my district were paid for by the same group, the AFL–CIO.

They are asking to protect, asking us to protect special interests instead of our children here in the District of Columbia. Let us not protect the special interests. As the ad says, instead of spending our money to fix American schools, let us protect the kids and not special interests. Let us use this money more efficiently by waiving the Davis-Bacon provisions, by protecting our children, by giving them better schools, and do so by voting against the Sabo provision and by continuing to vote for this bill.

Mr. SABO. Mr. Chairman, I yield 30 seconds to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Chairman, I rise in strong support of this amendment. Repealing the Davis-Bacon law for D.C. school construction projects will not improve the district's crumbling schools. It will discriminate against the District's construction workers. These workers deserve to earn a decent wage. In fact, a recent study found that school construction costs were actually lower in those States governed by State Davis-Bacon laws.

The Federal Government has a responsibility to help our local communities address the crisis of crumbling schools, but not by denying hard-working construction workers and their families a decent wage. The Members who support this Davis-Bacon repeal say they want to help the District's crumbling schools. If they really care about crumbling schools, support my bill that would provide $5 billion nationwide and $15 million to rebuild the schools in the D.C. school district.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. DELAY], the majority whip.

Mr. DELAY. Mr. Chairman, we have a simple choice today. We can vote to support schools and public education or we can vote to support corruption and Washington union bosses.

Let there be no mistake about this amendment. This is an amendment that protects Davis-Bacon, which is a giveaway to Washington union bosses. Precious education dollars are being siphoned off from classrooms, from supplies and other needed repairs. They cannot even open the schools in Washington. All because big labor wants to get their pound of flesh.

I have got to tell my colleagues, Mr. Chairman, essentially Davis-Bacon requirements result in wasted dollars, reduced funds for students and fewer job opportunities. I do not see any reason why we should not give local officials the option to waive these onerous requirements. A vote for this amendment is a vote against the children of Washington, DC and a vote to pad the pockets of Washington union bosses.

Mr. SABO. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. HORN].

Mr. HORN. Mr. Chairman, Davis-Bacon is one of the finest laws we have on the books. Davis and Bacon were both leading Republicans in the Congress of 1931. We faced the same thing now that they faced then, people coming in undercutting the prevailing wage rate.

That is what it is all about. It is about fairness. It is about helping our neighbors who are electricians and plumbers and masons and ironworkers. That is what it is about. We should not tamper with Davis-Bacon. It is a good law. Let us keep it.

Mr. TAYLOR of North Carolina. Mr. Chairman, I reserve the balance of my time.

Mr. SABO. Mr. Chairman, I yield 30 seconds to the gentleman from New York [Mr. OWENS].

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

Mr. OWENS. Mr. Chairman, this Sabo amendment will save the District of Columbia from being another experimental ground for a bad piece of legislation. Davis-Bacon saves money. There is a study by Peter Phillips, a professor of the University of Utah, which showed that Davis-Bacon actually saves money on school construction.

Davis-Bacon has many other benefits. Davis-Bacon provides programs for apprentices and training in a way that no other construction programs do. Davis-Bacon has been around for a long time. It operates to the benefit of construction industry workers.

I submit this for the RECORD to answer the lies about Davis-Bacon:

DISTRICT OF COLUMBIA APPROPRIATIONS BILL
DAVIS-BACON ACT PROVISIONS

Section 363 of the D.C. Appropriations bill would allow the D.C. Contracting Officer for Public Schools to waive Davis-Bacon prevailing wages for workers on school construction and repair projects. Despite a 1995 Congressional Budget Office scoring indicating that repealing Davis-Bacon would not produce sizable savings, opponents continue to assert that if you do away with labor protections on school construction projects, the taxpayer will save money on construction costs.

Repealing or waiving Davis-Bacon will not save money on school construction. Peter Phillips, a professor in the university of Utah Economics Department has prepared a report for the legislative Education Study Committee of the New Mexico State Legislature which tests the proposition that eliminating state prevailing wage laws will lower school construction costs.

For the period of 1992–1994, he compares the average square foot cost of construction for elementary, middle and high schools in 9

Intermountain and Southwestern states—5 states with prevailing wage laws (New Mexico, Texas, Oklahoma, Wyoming and Nevada) to 4 states without prevailing wage laws (Utah, Colorado and Idaho). These results show that if anything, square foot construction costs are lower in states with prevailing wage laws to those without these laws: for elementary schools, average square foot new construction costs are $67 in the states with prevailing wage laws and $73 per square foot in the 4 states without prevailing wage laws—a real difference of $6; the 76 middle schools built in the prevailing wage law states cost an average of $66 per square foot while the 28 middle schools built in the 4 states without prevailing wage laws cost an average of $77 per square foot; and similarly, the 31 high schools built in the prevailing wage law states cost an average $70 while the 22 schools in states without prevailing wage laws cost an average of $81.

Furthermore, more new public construction took place in the 5 states with state prevailing wage law compared to the 4 states without prevailing wage laws during the period under study (1992–1994).

There will be long-run cost to the construction industry. The basic conclusion of this study is that there is no evidence to suggest that the repeal of the state's prevailing wage law would save substantial costs in the construction of public schools. Lower wage rates for construction workers will not reduce costs, particularly in the long run. Peter Phillips finds that prevailing wage laws encourage the apprenticeship and training programs that have created the skilled construction workforce that has resulted in higher labor productivity. In the long run, repealing state prevailing wage laws will result in a migration of trained workers out of construction and a decline in the training of new construction workers leading to lower productivity, thereby canceling out any savings from lower wages. It is clear that without Davis-Bacon the use of low-wage untrained workers will degrade the quality of public construction.

Section 363 will discriminate against D.C. construction workers. Allowing prevailing wages to be waived on school construction and repair projects in D.C. construction workers who are largely minority. Workers on school construction projects in Maryland, for example, will continue to be paid the prevailing wage. The inequity will also invite fly-by-night contractors from other areas to come into D.C., using lowered wage for construction workers to ''low-ball'' school construction contracts in the District.

Mr. SABO. Mr. Chairman, I yield 30 seconds to the gentleman from New Jersey [Mr. LOBIONDO].

□ 1415

Mr. LOBIONDO. Mr. Chairman, since I have become a Member of Congress, and I am sure well before that, some in Congress have called for the repeal of Davis-Bacon. I have opposed these efforts and will continue to oppose any weakening of this important law.

As an operator of a small business, with unionized workers, for years before I entered public life, I learned that in general you truly do get what you pay for. It is not as simple as some claim, that there would be a major cost saving by eliminating this requirement. Studies have been shown that prove differently.

I support Davis-Bacon. I will vote for the gentleman's amendment, and I urge all of my colleagues to vote for the gentleman's amendment.

Mr. SABO. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. BOEHLERT].

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

Mr. BOEHLERT. Mr. Chairman, I rise in support of the amendment of the gentleman from Minnesota, and I support Davis-Bacon.

Mr. SABO. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, a 65-year policy should not be reversed by the choice of a contracting officer in the District of Columbia. Davis-Bacon is not about union bosses; it is about being sure that people who build our buildings and construct our roads are paid a fair price and we get quality in return.

Mr. Chairman, let us remove this inappropriate rider from this bill.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I wish to thank the gentleman from Minnesota [Mr. SABO], and I agree that we need more than 5 minutes to discuss this issue. It is a very important issue.

Sixty-five years is too long. That is what this House is about, taking antiquated wasteful spending out. If we look at Florida, Kentucky, Ohio, Montgomery, Preston County, all of them have saved money. The one institution of Utah, the study was paid for by the unions. All other studies show that Davis-Bacon inflates costs.

A poll, this is Washington, DC, 65 percent support the bill of local option, Davis-Bacon, to a take it out. Sixty percent of Democrats agree. Sixty-eight percent agree that it is more important to create entry level jobs than to have Davis-Bacon. Seventy-two percent agree that the law should be changed to permit volunteers to take part in construction and repair work, which Davis-Bacon prevents.

We are trying to get the most amount of money to fix schools that are 86 years old. It is a sad day, Mr. Chairman, when special interests, when we talk about campaign finance reform, stops good legislation.

Mr. RIGGS. Mr. Speaker, the Early Childhood, Youth, and Families Subcommittee urges you to support an important initiative to help children in the District of Columbia. Just yesterday, a District school was ordered closed by the D.C. fire marshal because of roof leaks—the second school violation in 2 days.

Education dollars should not have to be diverted away from needed facility repairs or away from the classroom because of outdated Federal laws that inflate the cost of school construction. Local school districts need the flexibility to appropriately spend their educational resources. Valuable funds should not have to go toward inflated construction costs, when they could instead go toward additional repairs and facility improvements, books, computers, and other educational services that actually improve classroom learning and benefit school children.

The Appropriations Committee has recognized this and has included a voluntary waiver of Davis-Bacon for school construction in Washington, DC, in the fiscal year 1998 District of Columbia appropriations bill. By allowing District facility contracting officers the opportunity to waive Davis-Bacon when appropriate for school projects, the District could gain more construction for the dollar and be able to allocate more resources to better meet students' needs.

Additionally, Davis-Bacon Act regulations prevent entry-level workers from gaining employment and on-the-job-training on federally funded projects. Because the regulations do not allow the use of helpers, contractors are limited in employing local, low-skilled workers. Thus, lifting Davis-Bacon requirements would not only stretch educational dollars farther, it would also help provide job opportunities for entry-level workers in the District to gain valuable job experience in their community.

Congress can take an important step to help local school children by allowing D.C. officials the authority to choose to waive restrictive Davis-Bacon Act requirements for school construction and repairs. It will provide the local control necessary to award contracts based on quality and cost, guarantee more construction for the dollar, and help ensure Federal funds are not diverted away from the classroom.

The CHAIRMAN pro tempore [Mr. LAHOOD]. All time has expired.

The question is on the amendment offered by the gentleman from Minnesota [Mr. SABO].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. SABO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 234, noes 188, not voting 11, as follows:

[Roll No. 511]

AYES—234

Abercrombie	Davis (FL)	Gilman
Ackerman	Davis (IL)	Gordon
Allen	DeFazio	Green
Andrews	DeGette	Hall (OH)
Baesler	Delahunt	Hamilton
Baldacci	DeLauro	Harman
Barcia	Dellums	Hastings (FL)
Barrett (WI)	Deutsch	Hill
Becerra	Diaz-Balart	Hinchey
Bentsen	Dicks	Hinojosa
Berry	Dingell	Holden
Bilbray	Dixon	Hooley
Bishop	Doggett	Horn
Blagojevich	Dooley	Houghton
Blumenauer	Doyle	Hoyer
Boehlert	Edwards	Jackson (IL)
Bonior	Engel	Jackson-Lee
Borski	English	(TX)
Boswell	Eshoo	Jefferson
Boucher	Etheridge	Johnson (CT)
Boyd	Evans	Johnson (WI)
Brown (CA)	Ewing	Johnson, E. B.
Brown (OH)	Farr	Kanjorski
Capps	Fattah	Kaptur
Cardin	Fazio	Kelly
Carson	Filner	Kennedy (MA)
Clay	Flake	Kennedy (RI)
Clayton	Foglietta	Kennelly
Clement	Forbes	Kildee
Clyburn	Ford	Kilpatrick
Condit	Fox	Kind (WI)
Conyers	Frank (MA)	King (NY)
Costello	Franks (NJ)	Kleczka
Coyne	Frost	Klink
Cramer	Furse	Kucinich
Cummings	Gejdenson	LaFalce
Danner	Gephardt	LaHood

Lampson	Nadler	Sherman
Lantos	Neal	Shimkus
LaTourette	Ney	Sisisky
Lazio	Oberstar	Skaggs
Levin	Obey	Skelton
Lewis (CA)	Olver	Slaughter
Lewis (GA)	Ortiz	Smith (NJ)
Lipinski	Owens	Smith, Adam
LoBiondo	Pallone	Smith, Linda
Lofgren	Pappas	Snyder
Lowey	Pascrell	Spratt
Luther	Pastor	Stabenow
Maloney (CT)	Payne	Stark
Maloney (NY)	Pelosi	Stokes
Manton	Peterson (MN)	Strickland
Markey	Petri	Stupak
Martinez	Pickett	Tanner
Mascara	Pomeroy	Tauscher
Matsui	Poshard	Thompson
McCarthy (MO)	Price (NC)	Thurman
McCarthy (NY)	Quinn	Tierney
McDade	Rahall	Torres
McDermott	Rangel	Towns
McGovern	Regula	Traficant
McHale	Reyes	Turner
McHugh	Rivers	Velazquez
McIntyre	Rodriguez	Vento
McKinney	Roemer	Visclosky
McNulty	Rothman	Walsh
Meehan	Roukema	Waters
Meek	Roybal-Allard	Watt (NC)
Menendez	Rush	Waxman
Metcalf	Sabo	Weldon (PA)
Millender-McDonald	Sanchez	Weller
	Sanders	Wexler
Miller (CA)	Sandlin	Weygand
Minge	Sawyer	Wise
Mink	Saxton	Woolsey
Moakley	Schumer	Wynn
Mollohan	Scott	Yates
Moran (VA)	Serrano	Young (AK)
Murtha	Shays	

NOES—188

Aderholt	Ehrlich	McCollum
Archer	Emerson	McCrery
Armey	Ensign	McInnis
Bachus	Everett	McIntosh
Baker	Fawell	McKeon
Ballenger	Foley	Mica
Barr	Fowler	Miller (FL)
Barrett (NE)	Frelinghuysen	Moran (KS)
Bartlett	Gallegly	Morella
Barton	Ganske	Myrick
Bass	Gekas	Nethercutt
Bateman	Gibbons	Neumann
Bereuter	Gilchrest	Northup
Bilirakis	Gillmor	Norwood
Bliley	Goode	Nussle
Blunt	Goodlatte	Oxley
Boehner	Goodling	Packard
Bonilla	Goss	Parker
Bono	Graham	Paul
Brady	Granger	Paxon
Bryant	Greenwood	Pease
Bunning	Gutknecht	Peterson (PA)
Burr	Hall (TX)	Pickering
Burton	Hansen	Pitts
Buyer	Hastert	Pombo
Callahan	Hayworth	Porter
Calvert	Hefley	Portman
Camp	Herger	Pryce (OH)
Campbell	Hilleary	Radanovich
Canady	Hobson	Ramstad
Cannon	Hoekstra	Redmond
Castle	Hostettler	Riggs
Chabot	Hulshof	Riley
Chenoweth	Hunter	Rogan
Christensen	Hutchinson	Rogers
Coble	Hyde	Rohrabacher
Coburn	Inglis	Ros-Lehtinen
Collins	Istook	Royce
Combest	Jenkins	Ryun
Cook	John	Salmon
Cooksey	Johnson, Sam	Sanford
Cox	Jones	Scarborough
Crane	Kasich	Schaefer, Dan
Crapo	Kim	Schaffer, Bob
Cubin	Kingston	Sensenbrenner
Cunningham	Klug	Sessions
Davis (VA)	Knollenberg	Shadegg
Deal	Kolbe	Shaw
DeLay	Largent	Shuster
Dickey	Latham	Skeen
Doolittle	Leach	Smith (MI)
Dreier	Linder	Smith (OR)
Duncan	Livingston	Smith (TX)
Dunn	Lucas	Snowbarger
Ehlers	Manzullo	Souder
Spence	Taylor (NC)	Watts (OK)
Stearns	Thomas	Weldon (FL)
Stenholm	Thornberry	White
Stump	Thune	Whitfield
Sununu	Tiahrt	Wicker
Talent	Upton	Wolf
Tauzin	Wamp	Young (FL)
Taylor (MS)	Watkins	

NOT VOTING—11

Berman	Gutierrez	Lewis (KY)
Brown (FL)	Hastings (WA)	Schiff
Chambliss	Hefner	Solomon
Gonzalez	Hilliard	

□ 1437

The Clerk announced the following pair:

On this vote:

Mr. Berman for, with Mr. Chambliss against.

Messrs. BARRETT of Nebraska, PORTMAN, HERGER, and HASTERT changed their vote from ''aye'' to ''no.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore [Mr. LAHOOD]. It is now in order to consider amendment No. 2 printed in part II of House Report 105–315.

AMENDMENT NO. 2 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. MORAN OF VIRGINIA

Mr. MORAN of Virginia. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment No. 2 in the nature of a substitute offered by Mr. MORAN of Virginia:

Strike all after the enacting clause and insert the following:

That, the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 1998, and for other purposes, namely:

FEDERAL FUNDS

FEDERAL PAYMENT FOR MANAGEMENT REFORM

For payment to the District of Columbia, as authorized by section 11103(c) of the National Capital Revitalization and Self-Government Improvement Act of 1997, Public Law 105–33, $8,000,000, to remain available until September 30, 1999, which shall be deposited into an escrow account of the District of Columbia Financial Responsibility and Management Assistance Authority, pursuant to section 205 of Public Law 104–8 (109 Stat. 131), and shall be disbursed from such escrow account pursuant to the instructions of the Authority only for a program of management reform pursuant to sections 11101–11106 of the District of Columbia Management Reform Act of 1997, Public Law 105–33.

FEDERAL CONTRIBUTION TO THE OPERATIONS OF THE NATION'S CAPITAL

For a Federal contribution to the District of Columbia toward the costs of the operation of the government of the District of Columbia, $190,000,000: *Provided,* That these funds may be used by the District of Columbia for the costs of advances to the District government as authorized by section 11402 of the National Capital Revitalization and Self-Government Improvement Act of 1997, Public Law 105–33: *Provided further,* That not less than $30,000,000 shall be used by the District of Columbia to repay the accumulated general fund deficit.

METROPOLITAN POLICE DEPARTMENT

For the Metropolitan Police Department, $5,400,000, for a 5 percent pay increase for sworn officers who perform primarily non-administrative public safety services and are certified by the Chief of Police as having met the minimum ''Basic Certificate'' standards transmitted by the District of Columbia Financial Responsibility and Management Assistance Authority to Congress by letter dated May 19, 1997, or (if applicable) the minimum standards under any physical fitness and performance standards developed by the Department in consultation with the Authority.

FIRE AND EMERGENCY MEDICAL SERVICES DEPARTMENT

For the Fire and Emergency Medical Services Department, $2,600,000, for a 5 percent pay increase for uniformed fire fighters.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA CORRECTIONS TRUSTEE OPERATIONS

For payment to the District of Columbia Corrections Trustee, $169,000,000 for the administration and operation of correctional facilities, as authorized by section 11202 of the National Capital Revitalization and Self-Government Improvement Act of 1997, Public Law 105–33.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA CORRECTIONS TRUSTEE FOR CORRECTIONAL FACILITIES, CONSTRUCTION AND REPAIR

For payment to the District of Columbia Corrections Trustee for Correctional Facilities, $302,000,000, to remain available until expended, of which not less than $294,900,000 is available for transfer to the Federal Prison System, as authorized by section 11202 of the National Capital Revitalization and Self-Government Improvement Act of 1997, Public Law 105–33.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA COURTS

Notwithstanding any other provision of law, $116,000,000, for the Administrative Office of the United States Courts, to be available only for obligation by the Joint Committee on Judicial Administration in the District of Columbia for operation of the District of Columbia Courts, of which not to exceed $750,000 shall be available for establishment and operations of the District of Columbia Truth in Sentencing Commission as authorized by section 11211 of the National Capital Revitalization and Self-Government Improvement Act of 1997, Public Law 105–33.

Notwithstanding any other provision of law, for an additional amount, $30,000,000, for the Administrative Office of the United States Courts, to be available only for obligation by the Offender Supervision Trustee, for Pretrial Services, Defense Services, Parole, Adult Probation, and administrative operating costs of the Office of the Offender Supervision Trustee, of which not to exceed $800,000 shall be transferred to the United States Parole Commission to implement section 11231 of the National Capital Revitalization and Self-Government Improvement Act of 1997.

DISTRICT OF COLUMBIA FUNDS

OPERATING EXPENSES

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, $105,177,000 (including $84,316,000, from local funds, $14,013,000 from Federal funds, and $6,848,000 from other funds): *Provided,* That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for official purposes: *Provided further,*

That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further,* That no revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and Statehood Compact Commission: *Provided further,* That the District of Columbia shall identify the sources of funding for Admission to Statehood from its own locally-generated revenues: *Provided further,* That $240,000 shall be available for citywide special elections: *Provided further,* That all employees permanently assigned to work in the Office of the Mayor shall be paid from funds allocated to the Office of the Mayor.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $120,072,000 (including $40,377,000 from local funds, $42,065,000 from Federal funds, and $37,630,000 from other funds), together with $12,000,000 collected in the form of BID tax revenue collected by the District of Columbia on behalf of business improvement districts pursuant to the Business Improvement Districts Act of 1996, effective May 29, 1996 (D.C. Law 11–134; D.C. Code, sec. 1–2271 et seq.), and the Business Improvement Districts Temporary Amendment Act of 1997 (Bill 12–230).

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase or lease of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without regard to the general purchase price limitation for the current fiscal year, $529,739,000 (including $510,326,000 from local funds, $13,519,000 from Federal funds, and $5,894,000 from other funds): *Provided,* That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles and the Department of Fire and Emergency Medical Services of the District of Columbia is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further,* That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further,* That the Metropolitan Police Department shall provide quarterly reports to the Committees on Appropriations of the House and Senate on efforts to increase efficiency and improve the professionalism in the department: *Provided further,* That notwithstanding any other provision of law, or Mayor's Order 86–45, issued March 18, 1986, the Metropolitan Police Department's delegated small purchase authority shall be $500,000: *Provided further,* That the District of Columbia government may not require the Metropolitan Police Department to submit to any other procurement review process, or to obtain the approval of or be restricted in any manner by any official or employee of the District of Columbia government, for purchases that do not exceed $500,000: *Provided further,* That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: *Provided further,* That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and the availability of the sums shall be deemed as constituting payment in advance for emergency services involved: *Provided further,* That the Metropolitan Police Department is authorized to maintain 3,800 sworn officers, with leave for a 50 officer attrition: *Provided further,* That no more than 15 members of the Metropolitan Police Department shall be detailed or assigned to the Executive Protection Unit, until the Chief of Police submits a recommendation to the Council for its review: *Provided further,* That $100,000 shall be available for inmates released on medical and geriatric parole: *Provided further,* That not less than $2,254,754 shall be available to support a pay raise for uniformed firefighters, when authorized by the District of Columbia Council and the District of Columbia Financial Responsibility and Management Assistance Authority, which funding will be made available as savings achieved through actions within the appropriated budget: *Provided further,* That, commencing on December 31, 1997, the Metropolitan Police Department shall provide to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Government Reform and Oversight of the House of Representatives, the Committee on Governmental Affairs of the Senate, and quarterly reports on the status of crime reduction in each of the 83 police service areas established throughout the District of Columbia.

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, $672,444,000 (including $530,197,000 from local funds, $112,806,000 from Federal funds, and $29,441,000 from other funds), to be allocated as follows: $564,129,000 (including $460,143,000 from local funds, $98,491,000 from Federal funds, and $5,495,000 from other funds), for the public schools of the District of Columbia; $1,235,000 from local funds for public charter schools: *Provided,* That if the entirety of this allocation has not been provided as payments to one or more public charter schools by May 1, 1998, and remains unallocated, the funds will revert to the general fund of the District of Columbia in accordance with section 2403(a)(2)(D) of the District of Columbia School Reform Act of 1995 (Public Law 104–134); $74,087,000 (including $37,791,000 from local funds, $12,804,000 from Federal funds, and $23,492,000 from other funds) for the University of the District of Columbia; $22,036,000 (including $20,424,000 from local funds, $1,158,000 from Federal funds, and $454,000 from other funds) for the Public Library; $2,057,000 (including $1,704,000 from local funds and $353,000 from Federal funds) for the Commission on the Arts and Humanities: *Provided further,* That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further,* That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for official purposes: *Provided further,* That not less than $1,200,000 shall be available for local school allotments in a restricted line item: *Provided further,* That not less than $4,500,000 shall be available to support kindergarten aides in a restricted line item: *Provided further,* That not less than $2,800,000 shall be available to support substitute teachers in a restricted line item: *Provided further,* That not less than $1,788,000 shall be available in a restricted line item for school counselors: *Provided further,* That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 1998, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area.

HUMAN SUPPORT SERVICES

Human support services, $1,718,939,000 (including $789,350,000 from local funds, $886,702,000 from Federal funds, and $42,887,000 from other funds): *Provided,* That $21,089,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: *Provided further,* That a peer review committee shall be established to review medical payments and the type of service received by a disability compensation claimant: *Provided further,* That the District of Columbia shall not provide free government services such as water, sewer, solid waste disposal or collection, utilities, maintenance, repairs, or similar services to any legally constituted private nonprofit organization (as defined in section 411(5) of Public Law 100–77, approved July 22, 1987) providing emergency shelter services in the District, if the District would not be qualified to receive reimbursement pursuant to the Stewart B. McKinney Homeless Assistance Act, approved July 22, 1987 (101 Stat. 485; Public Law 100–77; 42 U.S.C. 11301 et seq.).

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and leasing of passenger-carrying vehicles $241,934,000 (including $227,983,000 from local funds, $3,350,000 from Federal funds, and $10,601,000 from other funds): *Provided,* That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business: *Provided further,* That $3,000,000 shall be available for the lease financing, operation, and maintenance of two mechanical street sweepers, one flusher truck, five packer trucks, one front-end loader, and various public litter containers: *Provided further,* That $2,400,000 shall be available for recycling activities.

FINANCING AND OTHER USES

Financing and other uses, $454,773,000 (including for payment to the Washington Convention Center, $5,400,000 from local funds; reimbursement to the United States of funds loaned in compliance with An Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, approved August 7, 1946 (60 Stat. 896; Public Law 79–648), section 1 of An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85–451; D.C. Code, sec. 9–219), section 4 of An Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system, approved June 12, 1960 (74 Stat. 211; Public Law 86–515), and sections 723 and 743(f) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973, as amended (87 Stat. 821; Public Law 93–198; D.C. Code, sec. 47–321, note; 91 Stat. 1156; Public Law 95–131; D.C. Code, sec. 9–219, note), including interest as required thereby,

$384,430,000 from local funds; for the purpose of eliminating the $331,589,000 general fund accumulated deficit as of September 30, 1990, $39,020,000 from local funds, as authorized by section 461(a) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973, as amended (105 Stat. 540; Public Law 102–106; D.C. Code, sec. 47–321(a)(1); for payment of interest on short-term borrowing, $12,000,000 from local funds; for lease payments in accordance with the Certificates of Participation involving the land site underlying the building located at One Judiciary Square, $7,923,000 from local funds; for human resources development, including costs of increased employee training, administrative reforms, and an executive compensation system, $6,000,000 from local funds); for equipment leases, the Mayor may finance $13,127,000 of equipment cost, plus cost of issuance not to exceed two percent of the par amount being financed on a lease purchase basis with a maturity not to exceed five years: *Provided,* That $75,000 is allocated to the Department of Corrections, $8,000,000 for the Public Schools, $50,000 for the Public Library, $260,000 for the Department of Human Services, $244,000 for the Department of Recreation and Parks, and $4,498,000 for the Department of Public Works.

ENTERPRISE FUNDS

ENTERPRISE AND OTHER USES

Enterprises and other uses, $15,725,000 (including for the Cable Television Enterprise Fund, established by the Cable Television Communications Act of 1981, effective October 22, 1983 (D.C. Law 5–36; D.C. Code, sec. 43–1801 et seq.), $2,467,000 (including $2,135,000 from local funds and $332,000 from other funds); for the Public Service Commission, $4,547,000 (including $4,250,000 from local funds, $117,000 from Federal funds, and $180,000 from other funds), for the Office of the People's Counsel, $2,428,000 from local funds; for the Office of Banking and Financial Institutions, $600,000 (including $100,000 from local funds and $500,000 from other funds); for the Department of Insurance and Securities Regulation, $5,683,000 from other funds.

WATER AND SEWER AUTHORITY AND THE WASHINGTON AQUEDUCT

For the Water and Sewer Authority and the Washington Aqueduct, $297,310,000 from other funds (including $263,425,000 for the Water and Sewer Authority and $33,885,000 for the Washington Aqueduct) of which $41,423,000 shall be apportioned and payable to the District's debt service fund for repayment of loans and interest incurred for capital improvement projects.

LOTTERY AND CHARITABLE GAMES CONTROL BOARD

For the Lottery and Charitable Games Control Board, established by the District of Columbia Appropriation Act for the fiscal year ending September 30, 1982, approved December 4, 1981 (95 Stat. 1174, 1175; Public Law 97–91), as amended, for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3–172; D.C. Code, secs. 2–2501 et seq. and 22–1516 et seq.), $213,500,000: *Provided,* That the District of Columbia shall identify the source of funding for this appropriation title from the District's own locally-generated revenues: *Provided further,* That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

STARPLEX FUND

For the Starplex Fund, $5,936,000 from other funds for expenses incurred by the Armory Board in the exercise of its powers granted by An Act To Establish A District of Columbia Armory Board, and for other purposes, approved June 4, 1948 (62 Stat. 339; D.C. Code, sec. 2–301 et seq.) and the District of Columbia Stadium Act of 1957, approved September 7, 1957 (71 Stat. 619; Public Law 85–300; D.C. Code, sec. 2–321 et seq.): *Provided,* That the Mayor shall submit a budget for the Armory Board for the forthcoming fiscal year as required by section 442(b) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 824; Public Law 93–198; D.C. Code, sec. 47–301(b)).

D.C. GENERAL HOSPITAL

For the District of Columbia General Hospital, established by Reorganization Order No. 57 of the Board of Commissioners, effective August 15, 1953, $97,019,000, of which $44,335,000 shall be derived by transfer from the general fund and $52,684,000 shall be derived from other funds.

D.C. RETIREMENT BOARD

For the D.C. Retirement Board, established by section 121 of the District of Columbia Retirement Reform Act of 1979, approved November 17, 1979 (93 Stat. 866; D.C. Code, sec. 1–711), $16,762,000 from the earnings of the applicable retirement funds to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: *Provided,* That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further,* That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an itemized accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

For the Washington Convention Center Enterprise Fund, $46,400,000, of which $5,400,000 shall be derived by transfer from the general fund.

DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY

For the District of Columbia Financial Responsibility and Management Assistance Authority, established by section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 97; Public Law 104–8), $3,220,000.

CAPITAL OUTLAY

For construction projects, $269,330,000 (including $31,100,000 for the highway trust fund, $105,485,000 from local funds, and $132,745,000 in Federal funds), to remain available until expended: *Provided,* That funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: *Provided further,* That all funds provided by this appropriation title shall be available only for the specific projects and purposes intended: *Provided further,* That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968, approved August 23, 1968 (82 Stat. 827; Public Law 90–495; D.C. Code, sec. 7–134, note), for which funds are provided by this appropriation title, shall expire on September 30, 1999, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 1999: *Provided further,* That upon expiration of any such project authorization the funds provided herein for the project shall lapse.

DEFICIT REDUCTION AND REVITALIZATION

For deficit reduction and revitalization, $201,090,000, to be deposited into an escrow account held by the District of Columbia Financial Responsibility and Management Assistance Authority (Authority), which shall allocate the funds to the Mayor, or such other District official as the Authority may deem appropriate, at such intervals and in accordance with such terms and conditions as the Authority considers appropriate: *Provided,* That these funds shall only be used for reduction of the accumulated general fund deficit; capital expenditures, including debt service; and management and productivity improvements, as allocated by the Authority: *Provided further,* That no funds may be obligated until a plan for their use is approved by the Authority: *Provided further,* That the Authority shall inform the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform and Oversight of the House of Representatives of the approved plans.

GENERAL PROVISIONS

SECTION 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act, an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately-owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided,* That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101–7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided,* That the Council of the District of Columbia and the District of Columbia Courts may expend such funds without authorization by the Mayor.

SEC. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided,* That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the

District of Columbia Income and Franchise Tax Act of 1947, approved March 31, 1956 (70 Stat. 78; Public Law 84–460; D.C. Code, sec. 47–1812.11(c)(3)).

SEC. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4–101; D.C. Code, sec. 3–205.44), and for the non-Federal share of funds necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968, approved July 31, 1968 (82 Stat. 462; Public Law 90–445; 42 U.S.C. 3801 et seq.).

SEC. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 109. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 110. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the Subcommittee on the District of Columbia of the House Committee on Government Reform and Oversight, the Subcommittee on Oversight of Government Management and the District of Columbia of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative.

SEC. 111. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Law 2–20; D.C. Code, sec. 47–421 et seq.).

SEC. 112. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 113. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided,* That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowings and spending progress compared with projections.

SEC. 114. The Mayor shall not borrow any funds for capital projects unless the Mayor has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 115. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 116. None of the funds appropriated by this Act may be obligated or expended by reprogramming except pursuant to advance approval of the reprogramming granted according to the procedure set forth in the Joint Explanatory Statement of the Committee of Conference (House Report No. 96–443), which accompanied the District of Columbia Appropriation Act, 1980, approved October 30, 1979 (93 Stat. 713; Public Law 96–93), as modified in House Report No. 98–265, and in accordance with the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3–100; D.C. Code, sec. 47–361 et seq.): *Provided,* That for the fiscal year ending September 30, 1998 the above shall apply except as modified by Public Law 104–8.

SEC. 117. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia.

SEC. 118. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980, approved October 10, 1980 (94 Stat. 1824; Public Law 96–425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided,* That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 119. (a) Notwithstanding section 422(7) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for Level IV of the Executive Schedule under 5 U.S.C. 5315.

(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the Mayor under subsection (a) of this section for any position for any period during the last quarter of calendar year 1997 shall be deemed to be the rate of pay payable for that position for September 30, 1997.

(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945, approved August 2, 1946 (60 Stat. 793; Public Law 79–592; D.C. Code, sec. 5–803(a)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.

SEC. 120. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2–139; D.C. Code, sec. 1–601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided,* That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5, United States Code.

SEC. 121. The Director of the Department of Administrative Services may pay rentals and repair, alter, and improve rented premises, without regard to the provisions of section 322 of the Economy Act of 1932 (Public Law 72–212; 40 U.S.C. 278a), based upon a determination by the Director, that by reason of circumstances set forth in such determination, the payment of these rents and the execution of this work, without reference to the limitations of section 322, is advantageous to the District in terms of economy, efficiency, and the District's best interest.

SEC. 122. No later than 30 days after the end of the first quarter of the fiscal year ending September 30, 1998, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 1998 revenue estimates as of the end of the first quarter of fiscal year 1998. These estimates shall be used in the budget request for the fiscal year ending September 30, 1999. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 123. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6–85; D.C. Code, sec. 1–1183.3), except that the District of Columbia government or any agency thereof may renew or extend sole source contracts for which competition is not feasible or practical: *Provided,* That the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated rules and procedures and said determination has been reviewed and approved by the District of Columbia Financial Responsibility and Management Assistance Authority.

SEC. 124. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99–177), as amended, the term ''program, project, and activity'' shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act, and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: *Provided,* That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99–177), as amended.

SEC. 125. In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99–177), as amended, after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: *Provided,* That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act that are not specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99–177), as amended.

SEC. 126. Nothing in this Act shall be construed to authorize any office, agency or entity to expend funds for programs or functions for which a reorganization plan is required but has not been approved by the Council pursuant to section 422(12) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(12)) and the Governmental Reorganization Procedures Act of 1981, effective October 17, 1981 (D.C. Law 4–42; D.C. Code, secs. 1–299.1 to 1–299.7). Appropriations made by this Act for such programs or functions are conditioned on the approval by the Council of the required reorganization plans.

SEC. 127. (a) An entity of the District of Columbia government may accept and use a gift or donation during fiscal year 1998 if—

(1) the Mayor approves the acceptance and use of the gift or donation: *Provided,* That the Council of the District of Columbia may accept and use gifts without prior approval by the Mayor; and

(2) the entity uses the gift or donation to carry out its authorized functions or duties.

(b) Each entity of the District of Columbia government shall keep accurate and detailed records of the acceptance and use of any gift or donation under subsection (a) of this section, and shall make such records available for audit and public inspection.

(c) For the purposes of this section, the term ''entity of the District of Columbia government'' includes an independent agency of the District of Columbia.

(d) This section shall not apply to the District of Columbia Board of Education, which may, pursuant to the laws and regulations of the District of Columbia, accept and use gifts to the public schools without prior approval by the Mayor.

SEC. 128. None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representative under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979, effective March 10, 1981 (D.C. Law 3–171; D.C. Code, sec. 1–113(d)).

SEC. 129. The University of the District of Columbia shall submit to the Congress, the Mayor, the District of Columbia Financial Responsibility and Management Assistance Authority, and the Council of the District of Columbia no later than fifteen (15) calendar days after the end of each month a report that sets forth—

(1) current month expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget broken out on the basis of control center, responsibility center, and object class, and for all funds, non-appropriated funds, and capital financing;

(2) a breakdown of FTE positions and all employees for the most current pay period broken out on the basis of control center and responsibility center, for all funds, including capital funds;

(3) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and for all funding sources;

(4) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged broken out on the basis of control center and responsibility center, and contract identifying codes used by the University of the District of Columbia; payments made in the last month and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(5) all reprogramming requests and reports that have been made by the University of the District of Columbia within the last month in compliance with applicable law; and

(6) changes made in the last month to the organizational structure of the University of the District of Columbia, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

SEC. 130. Notwithstanding any other provision of law, rule, or regulation, the evaluation process and instruments for evaluating District of Columbia Public Schools employees shall be a non-negotiable item for collective bargaining purposes.

SEC. 131. Funds authorized or appropriated to the government of the District of Columbia by this or any other act to procure the necessary hardware and installation of new software, conversion, testing, and training to improve or replace its financial management system are also available for the acquisition of accounting and financial management services and the leasing of necessary hardware, software or any other related goods or services, as determined by the District of Columbia Financial Responsibility and Management Assistance Authority.

SEC. 132. Section 456 of the District of Columbia Self-Government and Governmental Reorganization Act (secs. 47–231 et seq., D.C. Code) is amended—

(1) in subsection (a)(1), by—

(A) striking ''1995'' and inserting ''1998'';

(B) striking ''Mayor'' and inserting ''District of Columbia Financial Management and Assistance Authority''; and

(C) striking ''Committee on the District of Columbia'' and inserting ''Committee on Government Reform and Oversight'';

(2) in subsection (b)(1), by—

(A) striking ''1997'' and inserting ''1999'';

(B) striking ''Mayor'' and inserting ''Authority''; and

(C) striking ''Committee on the District of Columbia'' and inserting ''Committee on Government Reform and Oversight'';

(3) in subsection (b)(3), by striking ''Committee on the District of Columbia'' and inserting ''Committee on Government Reform and Oversight'';

(4) in subsection (c)(1), by—

(A) striking ''1995'' and inserting ''1997'';

(B) striking ''Mayor'' and inserting ''Chief Financial Officer''; and

(C) striking ''Committee on the District of Columbia'' and inserting ''Committee on Government Reform and Oversight'';

(5) in subsection (c)(2)(A), by—

(A) striking ''1997'' and inserting ''1999'';

(B) striking ''Mayor'' and inserting ''Chief Financial Officer''; and

(C) striking ''Committee on the District of Columbia'' and inserting ''Committee on Government Reform and Oversight'';

(6) in subsection (c)(2)(B), by striking ''Committee on the District of Columbia'' and inserting ''Committee on Government Reform and Oversight''; and

(7) in subsection (d)(1), by—

(A) striking ''1994'' and inserting ''1997'';

(B) striking ''Mayor'' and inserting ''Chief Financial Officer''; and

(C) striking ''Committee on the District of Columbia'' and inserting ''Committee on Government Reform and Oversight''.

SEC. 133. For purposes of the appointment of the head of a department of the government of the District of Columbia under section 11105(a) of the National Capital Revitalization and Self-Improvement Act of 1997, Public Law 105–33, the following rules shall apply:

(1) After the Mayor notifies the Council under paragraph (1)(A)(ii) of such section of the nomination of an individual for appointment, the Council shall meet to determine whether to confirm or reject the nomination.

(2) If the Council fails to confirm or reject the nomination during the 7-day period described in paragraph (1)(A)(iii) of such section, the Council shall be deemed to have confirmed the nomination.

(3) For purposes of paragraph (1)(B) of such section, if the Council does not confirm a nomination (or is not deemed to have confirmed a nomination) during the 30-day period described in such paragraph, the Mayor shall be deemed to have failed to nominate an individual during such period to fill the vacancy in the position of the head of the department.

SEC. 134. None of the funds appropriated under this Act shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

SEC. 135. No funds made available pursuant to any provision of this Act shall be used to implement or enforce any system of registration of unmarried, cohabiting couples whether they are homosexual, lesbian, or heterosexual, including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples; nor shall any funds made available pursuant to any provision of this Act otherwise be used to implement or enforce D.C. Act 9–188, signed by the Mayor of the District of Columbia on April 15, 1992.

SEC. 136. The Emergency Transitional Education Board of Trustees shall submit to the Congress, the Mayor, the District of Columbia Financial Responsibility and Management Assistance Authority, and the Council of the District of Columbia no later than fifteen (15) calendar days after the end of each month a report that sets forth—

(1) current month expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget broken out on the basis of control center, responsibility center, agency reporting code, and object class, and for all funds, including capital financing;

(2) a breakdown of FTE positions and staff for the most current pay period broken out on the basis of control center, responsibility center, and agency reporting code within each responsibility center, for all funds, including capital funds;

(3) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and agency reporting code, and for all funding sources;

(4) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged broken out on the basis of control center, responsibility center, and agency reporting code; and contract identifying codes used by the D.C. Public Schools; payments made in the last month and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(5) all reprogramming requests and reports that are required to be, and have been, submitted to the Board of Education; and

(6) changes made in the last month to the organizational structure of the D.C. Public Schools, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

SEC. 137. (a) IN GENERAL.—The Emergency Transitional Education Board of Trustees of the District of Columbia and the University of the District of Columbia shall annually compile an accurate and verifiable report on the positions and employees in the public school system and the university, respectively. The annual report shall set forth—

(1) the number of validated schedule A positions in the District of Columbia Public Schools and the University of the District of Columbia for fiscal year 1996, fiscal year 1997, and thereafter on a full-time equivalent basis, including a compilation of all positions by control center, responsibility center, funding source, position type, position title, pay plan, grade, and annual salary; and

(2) a compilation of all employees in the District of Columbia Public Schools and the University of the District of Columbia as of the preceding December 31, verified as to its accuracy in accordance with the functions that each employee actually performs, by

control center, responsibility center, agency reporting code, program (including funding source), activity, location for accounting purposes, job title, grade and classification, annual salary, and position control number.

(b) SUBMISSION.—The annual report required by subsection (a) of this section shall be submitted to the Congress, the Mayor, the District of Columbia Council, the Consensus Commission, and the Authority, not later than February 15 of each year.

SEC. 138. (a) No later than October 1, 1997, or within 15 calendar days after the date of the enactment of the District of Columbia Appropriations Act, 1998, whichever occurs later, and each succeeding year, the Emergency Transitional Education Board of Trustees and the University of the District of Columbia shall submit to the appropriate congressional committees, the Mayor, the District of Columbia Council, the Consensus Commission, and the District of Columbia Financial Responsibility and Management Assistance Authority, a revised appropriated funds operating budget for the public school system and the University of the District of Columbia for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other-than-personal services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the Emergency Transitional Education Board of Trustees and the University of the District of Columbia submit to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia pursuant to section 442 of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93–198, as amended (D.C. Code, sec. 47–301).

SEC. 139. The Emergency Transitional Education Board of Trustees, the Board of Trustees of the University of the District of Columbia, the Board of Library Trustees, and the Board of Governors of the D.C. School of Law shall vote on and approve their respective annual or revised budgets before submission to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia in accordance with section 442 of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93–198, as amended (D.C. Code, sec. 47–301), or before submitting their respective budgets directly to the Council.

SEC. 140. (a) CEILING ON TOTAL OPERATING EXPENSES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the total amount appropriated in this Act for operating expenses for the District of Columbia for fiscal year 1998 under the caption ''Division of Expenses'' shall not exceed the lesser of—

(A) the sum of the total revenues of the District of Columbia for such fiscal year; or

(B) $5,166,304,000 (of which $129,946,000 shall be from intra-District funds), which amount may be increased by the following:

(i) proceeds of one-time transactions, which are expended for emergency or unanticipated operating or capital needs approved by the District of Columbia Financial Responsibility and Management Assistance Authority; and

(ii) additional expenditures which the Chief Financial Officer of the District of Columbia certifies will produce additional revenues during such fiscal year at least equal to 200 percent of such additional expenditures, and which are approved by the District of Columbia Financial Responsibility and Management Assistance.

(C) to the extent that the sum of the total revenues of the District of Columbia for such fiscal year exceed the total amount provided for in subsection (B) above, the Chief Financial Officer of the District of Columbia, with the approval of the District of Columbia Financial Responsibility and Management Assistance Authority, may credit up to ten percent (10%) of the amount of such difference, not to exceed $3,300,000, to a reserve fund which may be expended for operating purposes in future fiscal years, in accordance with the financial plans and budgets for such years.

(2) ENFORCEMENT.—The Chief Financial Officer of the District of Columbia and the District of Columbia Financial Responsibility and Management Assistance Authority shall take such steps as are necessary to assure that the District of Columbia meets the requirements of this section, including the apportioning by the Chief Financial Officer of the appropriations and funds made available to the District during fiscal year 1998.

(b) ACCEPTANCE AND USE OF GRANTS NOT INCLUDED IN CEILING.—

(1) IN GENERAL.—Notwithstanding subsection (a), the Mayor in consultation with the Chief Financial Officer of the District of Columbia during a control year, as defined in section 305(4) of Public Law 104–8, as amended, 109 Stat. 152, may accept, obligate, and expend Federal, private, and other grants received by the District government that are not reflected in the amounts appropriated in this Act.

(2) REQUIREMENT OF CHIEF FINANCIAL OFFICER REPORT AND FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY APPROVAL.—No such Federal, private, or other grant may be accepted, obligated, or expended pursuant to paragraph (1) until—

(A) the Chief Financial Officer of the District submits to the District of Columbia Financial Responsibility and Management Assistance Authority established by Public Law 104–8 (109 Stat. 97) a report setting forth detailed information regarding such grant; and

(B) the District of Columbia Financial Responsibility and Management Assistance Authority has reviewed and approved the acceptance, obligation, and expenditure of such grant in accordance with review and approval procedures consistent with the provisions of Public Law 104–8, as amended, the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

(3) PROHIBITION ON SPENDING IN ANTICIPATION OF APPROVAL OR RECEIPT.—No amount may be obligated or expended from the general fund or other funds of the District government in anticipation of the approval or receipt of a grant under paragraph (2)(B) or in anticipation of the approval or receipt of a Federal, private, or other grant not subject to such paragraph.

(4) MONTHLY REPORTS.—The Chief Financial Officer of the District shall prepare a monthly report setting forth detailed information regarding all Federal, private, and other grants subject to this subsection. Each such report shall be submitted to the Council of the District of Columbia, and to the Committees on Appropriations of the House of Representatives and the Senate, not later than 15 days after the end of the month covered by the report.

SEC. 141. Section 145(a)(2) of the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 882; D.C. Code 1–725(a)(2)) is amended by adding subsections (a)(2)(A) and (a)(2)(B) to read as follows:

''(A) Up to 50 police officers and up to 50 Fire and Emergency Medical Services members who were hired before February 14, 1980, and who retire on disability before the end of calendar year 1998 shall be excluded from the computation of the rate of disability retirements under subsection 145(a) of the District of Columbia Retirement Reform Act of 1979 (93 Stat. 882; D.C. Code, sec. 1–725(a)), for purposes of reducing the authorized Federal payment to the District of Columbia Police Officers and Fire Fighters' Retirement Fund pursuant to subsection 145(c) of the District of Columbia Retirement Reform Act of 1979.

''(B) The Mayor, within 30 days after the enactment of this provision, shall engage an enrolled actuary, to be paid by the District of Columbia Retirement Board, and shall comply with the requirements of section 142(d) and section 144(d) of the District of Columbia Retirement Reform Act of 1979 (Public Law 96–122, approved November 17, 1979; D.C. Code, secs. 1–722(d) and 1–724(d)).''.

SEC. 142. The District of Columbia Emergency Transitional Education Board of Trustees shall, subject to the contract approval provisions of Public Law 104–8—

(A) develop a comprehensive plan to identify and accomplish energy conservation measures to achieve maximum cost-effective energy and water savings;

(B) enter into innovative financing and contractual mechanisms including, but not limited to, utility demand-side management programs and energy savings performance contracts and water conservation performance contracts: *Provided,* That the terms of such contracts do not exceed twenty-five years; and

(C) permit and encourage each department or agency and other instrumentality of the District of Columbia to participate in programs conducted by any gas, electric or water utility of the management of electricity or gas demand or for energy or water conservation.

SEC. 143. The District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 774; D.C. Code, sec. 1–201 et seq.), is amended by adding a new section 445a to read as follows:

''SEC. 445a. SPECIAL MASTERS' BUDGETS.

''All Special Masters appointed by the District of Columbia Superior Court or the United States District Court for the District of Columbia Circuit to any agency of the District of Columbia government shall prepare and annually submit to the District of Columbia Financial Responsibility and Management Assistance Authority, for inclusion in the annual budget, annual estimates of expenditures and appropriations. Such annual estimates shall be approved by the District of Columbia Financial Responsibility and Management Assistance Authority and the Council of the District of Columbia pursuant to section 202 of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 109; D.C. Code, sec. 47–392.2).''

SEC. 144. (a) Notwithstanding the provisions of section 12 of the Presidential Protection Assistance Act of 1976 (18 U.S.C. 3056, note) in carrying out the protection of the President and Vice President of the United States, pursuant to section 3056(a) of Title 18 of the United States Code, the Secretary of the Treasury is authorized to reimburse the District of Columbia government for the utilization of law enforcement services, personnel, equipment, and facilities of the District of Columbia in furtherance of such protection. All claims for such reimbursement by the District of Columbia government will be submitted to the Secretary of the Treasury on a quarterly basis.

(b) Section 1537 of Title 31 of the United States Code is repealed.

SEC. 145. In addition to amounts appropriated or otherwise made available, $5,000,000 is hereby appropriated to the National Park Service and shall be available

only for the United States Park Police operations in the District of Columbia.

SEC. 146. The District government shall maintain for fiscal year 1998 the same funding levels as provided in fiscal year 1997 for homeless services in the District of Columbia.

SEC. 147. The District of Columbia Financial Responsibility and Management Assistance Authority and the Chief Executive Officer of the District of Columbia public schools are hereby directed to report to the Appropriations Committees of the Senate and the House of Representatives, the Senate Committee on Governmental Affairs and the Committee on Government Reform and Oversight of the House of Representatives not later than April 1, 1998, on all measures necessary and steps to be taken to ensure that the District's public schools open on time to begin the 1998–99 academic year.

This Act may be cited as the ''District of Columbia Appropriations Act, 1998''.

The CHAIRMAN. Pursuant to House Resolution 264, the gentleman from Virginia [Mr. MORAN] and a Member opposed each will control 45 minutes.

The Chair recognizes the gentleman from Virginia [Mr. MORAN].

Mr. MORAN of Virginia. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a very simple amendment. It simply substitutes the Senate version of the District of Columbia Appropriations Act for the bill that is being considered today on the House floor.

There is one important exception. The substitute retains the language in the House bill that provides federally funded premium pay for District of Columbia police officers and fire fighters.

This substitute amendment, Mr. Chairman, is not my creation, it is not that of the gentleman from Wisconsin [Mr. OBEY], it is not that of the gentleman from Missouri [Mr. GEPHARDT], or that of any other Democratic Member. This substitute amendment was drafted by the Republican Senator from North Carolina, who is chairman of the Senate District of Columbia Appropriations Subcommittee.

Mr. Chairman, as I was saying, the substitute that we are offering is the very same as the Senate bill that Mr. FAIRCLOTH and the Senate sponsored and which passed, just passed, the Senate floor. It was created by the congressionally created District of Columbia Control Board, working with the District of Columbia's mayor and the D.C. City Council. It was a consensus budget, and it was in accordance with all of the procedures that this Congressman stated be followed.

The substitute balances the District's budget 1 year ahead of schedule. Think of that. The substitute we are asking for balances the District of Columbia's budget 1 year ahead of schedule. We cannot do that for ourselves. And it dedicates $201 million toward deficit reduction.

Would it not be nice if we could do that? But the D.C. government is going to reduce its deficit by $200 million, balance its budget a year ahead of schedule. And that is what we are asking this House to agree to.

The substitute provides money for charter schools. It prohibits the District of Columbia from using Federal and local funds to pay for abortions or to allow individuals to include domestic partners on their health insurance policies. This is not the kind of bill that we would generally favor, but we want the District of Columbia citizens to get the money that they need and to get it now, when they need it.

My substitute, however, does not embroil the Congress and the District of Columbia in a number of very unnecessary and ancillary controversies that will prevent this bill from being enacted into law. If this substitute is not passed, this bill will not be enacted into law.

The substitute will eliminate the need for this Congress, thus, to pass another continuing resolution and to further delay the necessary budget and management reforms from being implemented in the District of Columbia.

Our reforms will not be implemented if we do not pass the substitute. It will eliminate more than 50 legislative provisions that are contained in this D.C. Appropriations Act. And it will shrink this bill, it will save hundreds of trees, it will shrink this bill by about 100 pages.

One hundred pages will not be necessary of extraneous provisions if we agree to this substitute. These include provisions on school vouchers, Davis-Bacon, medical malpractice, welfare caps, prohibiting helicopter flights, restricting the use of automobiles, school leases, cutting school administrators, closing Pennsylvania Avenue, repealing the NEA tax exemption, restricting the ability to fire the Chief Financial Officer and Inspector General, and on, and on, and on.

Finally, the bill would order the Control Board to aggregate a critical contract to provide a new financial management system.

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Of all the issues we talked about, this may be the most important.

The District desperately needs a new financial management system. When this bill orders an end to the financial management system contract, Chairman Arthur Brimmer, the chairman of our created control board, said it would force the control board into a sole-source contract that we would never otherwise agree to, and it will force them to upgrade the current, the failing system, by the very company that installed the failing system, a company that does not even want the contract. It requires that a contract be given to a company that does not want it and who did not win it. But it would force it upon them through a sole-source contract. Is this what we want to pass?

The District's current financial management system is more than 18 years old. The original system was installed after a study showed that the District's financial systems and policies were in disarray. It was created to eliminate the manual operations then used by the government and to adopt a standard modern fiscal reporting procedure that was necessary to improve financial and program management.

It sounded great, but the system never worked, Mr. Chairman. The necessary subsystems that were to coordinate the flow of data were never installed. The training necessary to enable District employees to properly use the system was never conducted.

Numerous studies and outside experts agreed that the District is saddled with a system that cannot provide accurate and timely reports about the city spending and tax budget. We demand the reports, but they cannot give them to us, on how their money is being spent. Everyone agreed it needed to be replaced. This bill, if we do not pass this amendment, will prevent it from being replaced, will continue the old system.

As part of its effort to reform the District's finances, the control board, along with the chief financial officer, a panel of the highest level of public and private sector advisors, began a procurement effort, began an effort that we wanted them to do, and they purchased and implemented a new financial management system that would rein in the District's out-of-control budget. That was their intent. It was done through a competitive process, a process we insisted upon.

The control board received bids from three firms and following all the proper procedures, they awarded a $26 million contract to Peat Marwick, which is an accounting consulting firm, a large Washington office, we are familiar with them. The financial management system did not even submit a bid for the new contract, and yet we would force it upon them.

This new system that this substitute will provide for will greatly improve the District's financial management and will enable the District of Columbia for the first time to cross-reference rent income, tax receipts, comparative cash balances, to actually ensure that the District's tax assessments and tax returns are accurate. It will enable the District, for the first time, to measure the performance of public services. We have been asking them to do this year in and year out. They will do it if we allow them to, and it will ensure that they are not only doing the job they are supposed to, but doing it within the congressionally appropriated budget levels.

We all know how much technology has changed over the last 20 years. A new financial management system for the District will enable the city to take advantage of the technology revolution, use it to its benefit. In the words of the control board chairman, the subcommittee's efforts, in other words, if we do not pass this amendment, it will force the city to upgrade its old financial system just in the same way that we would ask IBM to upgrade manual typewriters instead of

replacing them with computers. It is comparable to that. That is why we cannot let it happen. Without buying a modern financial system, the chairman of the control board said, the board will not be able to fulfill its congressional mandate.

We cannot require it to do something and then take from them the means to accomplish what we forced them, Mr. Chairman, to do. We have to approve financial accountability in the city, and that is why, as important as any other reason, that is why we need the substitute amendment.

We created the board to reform the District's financial management. We created the chief financial officer to rein in their spending. Both entities that we created are unequivocally opposed to this bill. They unequivocally support what we are trying to do with the substitute amendment, which is the Senate bill.

My substitute amendment will ensure that they can do their jobs, and that, as much as anything else, is a compelling reason to vote for the substitute amendment. If we fail to pass it, the D.C. appropriations bill will not be enacted before the continuing resolution expires. It will not. It will not be enacted before Congress adjourns in November, and this will mean that Congress must pass a long-term CR for the District that is comparable to the 6-month continuing resolution in 1995, which wreaked havoc, havoc that we are still paying a price for.

This continuing resolution will prevent the District from entering into long-term contracts. It is going to cost us millions of dollars, wasted money. It will delay the implementation of the management reforms that we have been begging the District and the control board to undertake. It will further delay the day when the District stops being the whipping boy of the Nation and begins to fundamentally restructure and improve its operations. That is what we want. That is what we said we have got to have. Do not deny them the means to accomplish it.

The District of Columbia needs us to pass this substitute. Pass this appropriations bill, have it signed into law, begin the step-by-step process of turning the Capital City around, turning it into a capital of which we can all be proud. That is why I urge my colleagues to vote for the Moran substitute.

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

The CHAIRMAN pro tempore (Mr. LAHOOD). Does the gentleman from North Carolina seek the time in opposition?

Mr. TAYLOR of North Carolina. I do, Mr. Chairman.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

First of all the Moran amendment in effect, could be called the Rubber Stamp Act of 1997, because we would be merely putting forth what the Senate put forth, and we found a number of deficits.

I outlined in my early comments that there are many things that our bill does that the Senate bill does not do, and we are going to have folks to explain that during our 45 minutes. But to mention one of the areas that the gentleman from Virginia [Mr. MORAN] just spoke about, we do differ about the FMS.

There was $31 million to be spent on the FMS. Now, our committee did not arbitrarily say we are going to prevent this from happening. We investigated. We got reports from the GAO, we got reports from our S&I staff, and I have the essence of those reports. One of them says, after going through a list of reasons why we should not spend that $31 million—they conclude by saying that, ''This acquisition should be considered premature and would only result in continued system inaccuracies and rising costs.''

One of the other reports says that, ''We believe there is a higher risk that the District will be driven by its ambitious acquisition schedule and will not allow itself time to develop the kind of quality analysis that it must have in order to manage this important project, which is so critical to the District's financial recovery.''

What they said was that it is much better for us to hire professional staff to augment what we have in the District of Columbia, and to produce an honest, clear, accounting, and until we do that, we should not be spending $31 million and getting the same inaccurate analysis and reports that we have had in the past.

So if we want to rely on GAO, S&I, and other testimony we had in the Committee, then we should not be spending $31 million of the taxpayers' funds in this manner. We have not been disputed in this during any of the hearings, and that is one of the reasons that we held this position. We believe that we should spend that money only when we are absolutely sure that we are getting adequate accounting, and not just because there is some reason to spend $31 million.

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

Mr. MORAN of Virginia. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman for yielding to me and for his hard work, and I thank the gentleman from California [Mr. DIXON] for his leadership. I rise to support the Moran substitute.

I do want to acknowledge the chairman, because I think it is important that we pay District of Columbia fire fighters and police, that is a good thing in this bill. But I cannot be as appreciative of the rest of the aspects of this bill, because the Republican carpetbaggers are here in Washington, DC with their bag of tricks, to gut home rule for their citizens.

This is a plantation mentality. This is also a clear showing of disrespect for the financial control board that this Congress set up to implement a cooperative relationship with an oversight board and the local government of the city of Washington, DC. This legislation is a striking undermining of the rights of taxpaying residents and saying that they are not in charge, but this Republican Congress is in charge.

This legislation refers to helicopters flying in the District of Columbia. It also includes the issue of limiting medical malpractice lawsuits. It cuts positions in public schools. It puts in school vouchers. A clear denunciation of public school education, and a misleading attempt to bribe poorer D.C. residents who want a better education. Vouchers will not do that. And, unfortunately, though we do not have the amendment of the gentlewoman from Florida [Mrs. MEEK], regarding saving the U.D.C. Law School the Moran substitute does save the University of the District of Columbia School of law for the hundreds of law students training to be lawyers to serve their community.

The Moran substitute is the right approach that will recognize that the District of Columbia does deserve to have home rule, can rule itself and institute a balanced budget and protects public education. Let us get rid of this plantation mentality; let us send the Republican carpetbaggers with their bag of tricks home. There is good leadership in this city and they do have the ability to educate their children with strong support from the Congress of public school education.

Vouchers are not the right way. Ditching the work force and eliminating the Davis-Bacon Act was not the right way. We must have the Moran substitute. This Congress must return home rule to the District of Columbia. This is not a time for politeness, I am outraged at how the majority is treating the residents of the District of Columbia.

Mr. Chairman, I believe that the responsibility to effectively manage the practical and fiscal concerns of our Capital is one that should not be taken lightly by the Congress. To this regard, I am asking this House to vote in favor of the Moran substitute to the D.C. appropriations bill for fiscal year 1998.

Frankly, as it stands, this legislation leaves many relevant areas of concerns for the residents of the District of Columbia in a state of total disarray. The bill needs further reproof and correction, of which, I believe the Moran substitute is the best available option. The Moran substitute would do the service to the residents of the District of Columbia of removing over 60 controversial policy riders attached to this legislation. First of all, these riders have no place in an appropriations bill, and second, they create a poorer quality of life, with a few notable exceptions like the pay raise for D.C. classroom teachers, for the citizens of the District.

There are two points of concern, for myself, and many other members of this body with regard to H.R. 2607, one, is the school scholarship or vouchers provision included in subtitle

B of title III of the bill, commonly referred to as the District of Columbia Education Reform Act of 1997, and, two, the policy rider that would eliminate funding for the University of the District of Columbia Law School. First, I will discuss the voucher provision.

This provision would authorize the distribution of scholarships of up to $3,200 to the District of Columbia resident students in grades K–12 from low to moderate income families to attend public or private schools in the District or nearby suburbs or to pay the costs of supplementary academic programs outside regular school hours for students attending D.C. public schools. However, only 2,000 students will receive tuition scholarships, and possibly another 2,000 D.C. students will receive achievement scholarship moneys.

This legislative initiative could obviously set a dangerous precedent from this body as to the course of public education in America for decades to come. If the U.S. Congress abandons public education in the District, and sends that message to localities nationwide, a fatal blow could be struck to public schooling. The impetus behind this legislative agenda is clearly suspect. Instead of using these funds to improve the quality of public education for all D.C. residents, a number of 78,000 D.C. public school students, this policy initiative enriches fiscally successful, local private and public institutions. Furthermore, if this policy initiative is so desirable, why are 76,000 D.C. students left behind? Can this plan be a solution. I would assert that it can not. Unless all of our children are helped, what value does this grand political experiment have?

I see this initiative as a small step in trying to position the Government behind private elementary and secondary schools. The ultimate question is why do those in this body who continue to support public education with their lipservice, persist in trying to slowly erode the acknowledged sources of funding for our public schools? Public education, and its future, is an issue of the first magnitude. One that affects the constituency of every member of this House, and thus deserves full and open consideration.

School vouchers, have not been requested by public mandate from the Congress, actually, they have failed every time they have been offered on a State ballot by 65 percent or greater. If a piece of legislation proposes to send our taxpayer dollars, whether in the District of Columbia, or elsewhere, to private or religious schools, the highest levels of scrutiny are in order, and an amendment that may correct such a provision is unquestionably germane. Nine out of ten American children attend public schools, we must not abandon them, their reform is our hope.

As for the D.C. School of Law, I believe that it is a place of opportunity for the residents of this city who wish to gain a legal education, but often can not afford to receive that education elsewhere. The removal of this school's funding is a blatant attack on the course of public professional education in the District. The majority of the students in the U.D.C. Law School are African-American, as are a vast majority of the residents of the District of Columbia, plainly stated, these are the people that will be hurt by the removal of these vital funds.

In light of these facts, I must support the Moran amendment to restore funding to the U.D.C. Law School, and ask that it receive the full support of this House. The statement that this action makes to the people of the District, is that the House, is not in favor of affordable and accessible public legal education for its citizen. Are the citizens of this city any less deserving of a legal education than other Americans? I say that they are not. I agree that the U.D.C. Law School needs improvement, it needs to strengthen its accreditation, but the answers to these problems is not the removal of the school's funding.

I believe that the best hope for the District of Columbia is a fully funded and stabilized U.D.C. Law School, because the school is simply too valuable to the community and its citizens. For these reasons, I ask this body to support the Moran substitute to the D.C. appropriations bill.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 3½ minutes to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Chairman, this is an incredible debate. As I sat here listening to the debate it was obvious to me that this is a defining issue between liberals and conservatives. This debate is about empowering the people of the District of Columbia and parents or empowering bureaucrats.

If we listen to the words of the gentleman from Virginia and the gentlewoman from Texas, just listen to what they are saying: Let the Democrats work. Let the bureaucrats make the decision. Keep the power in the hands of the bureaucrats. Do not let people in D.C. make these decisions, do not let parents decide what schools their children would go to.

So I rise in opposition to this amendment, which strikes a number of very important reforms in this bill, but the one I want to focus on that is defining in this debate is the fact that this Moran amendment strips the ability of D.C. parents to choose where their children should go to school.

Now, I ask my colleagues, what are they afraid of when it comes to school choice for parents in D.C.? The D.C. school system has failed. Those bureaucrats have failed. It has failed to provide the children of this city the kind of education that will help them succeed. It has failed to provide its students an atmosphere where they can learn. Those bureaucrats have failed to prepare the students of this city for the future. The system has failed, the bureaucrats have failed, and we need to change the system.

But some of my colleagues do not want any change. They want to protect that status quo. They have those bureaucrats aboard, in place, and they have done a wonderful job getting those bureaucrats there. They want the money to continue to flow to a bureaucracy that continues to waste money.

Since 1979, the D.C. school system has lost 33,000 students, but the bureaucracy has doubled in that period of time.

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In 1996, the Board of Education allocated $1.4 million for itself. That is more than five times the amount Fairfax County's board has spent, and more than twice the amount that Montgomery County's board has spent, the two counties right next-door to Washington, DC.

Over and over again the school officials have broken the law in order to save their jobs. They are paying tens of millions of dollars to administrators who have been ordered to be laid off by these bureaucrats. They keep paying them. What have the residents of Washington, DC, gained with all this bigger bureaucracy and this wonderful board? Lower test scores, more dangerous hallways, and schools that cannot even be opened. They cannot even open up the schools.

The bottom line is, who is more capable of choosing a child's education, the child's parents, or the bureaucrats of the gentleman from Virginia [Mr. MORAN]? Who are we trying to protect, the child in Washington, DC, or that school administrator's job that keeps getting paid, that was supposed to be laid off by the bureaucrats of the gentleman from Virginia [Mr. MORAN]?

The time has come for school choice. The time has come to give parents the opportunity to have a greater role in choosing the right school for their own children, and not have bureaucrats make that decision. The time has come to inject accountability into this system that has avoided accountability for too many years. The time has come to stop the bureaucrats. Vote against the Moran amendment.

Mr. MORAN of Virginia. Mr. Chairman, I yield myself 35 seconds to point out to the gentleman from Texas [Mr. DELAY] that this bill that I support, the portion that I support, reduces personnel in the school system from 11,253 down to 9,960.

I also have a letter I have just received from Dr. Brimmer, who chairs the Board that this Congress established, that urges us to vote for the Moran substitute. It is because without the Moran substitute, they will not have the local control that we guaranteed them in the D.C. Revitalization Act.

Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin [Mr. OBEY], who I am sure will be more than happy to respond to the comments of the gentleman from Texas [Mr. DELAY].

Mr. OBEY. Mr. Chairman, this debate has nothing whatsoever to do with the District of Columbia. As was evidenced by the last speech on that side of the aisle, what we have here is an attempt by a number of Members of the majority party to use the District of Columbia as a pawn for the purpose of reading from the playbook of their well-known pollster, Frank Luntz, who has given them a whole series of sound bites, so they can try to deliver messages on other issues around the country by using the District of Columbia as a political pawn in the process. That is what is going on. Read the Luntz playbook, and we have virtually seen a

copy of the previous speech from that side of the aisle.

Mr. Chairman, I want to show the Members something. We just passed the military construction bill, 17 pages, to spend $9.2 billion. The D.C. bill is so loaded down with legislative proscriptions that it takes 179 pages to spend one-tenth of the amount that was spent in the military construction bill. We passed a defense bill, spending $247 billion, 100 pages. This D.C. bill is 180 pages. We spent 300 times as much in the defense bill with one-half the language ordering somebody else around that we have in the D.C. bill.

There is absolutely no reason for this Congress to endanger the safety of the President of the United States by taking away the security that we now have on Pennsylvania Avenue around the White House. Yet, this bill does it. There is no reason to impose our own judgment on education vouchers on the District of Columbia, yet this bill does it. There is no reason for this Congress to tell States that they should handle their own welfare problems, but then take away from the District of Columbia the ability to design their own welfare reform programs. Yet this bill does it. There is no reason for this Congress to get in the way of the Fiscal Control Board's reforming the financial practices of the District, and yet this bill does it.

This bill is a political document for political purposes. It imposes once again its plantation mentality on the District of Columbia, to no good purpose, and it is going nowhere. We are already one week into the fiscal year. We are past the time when politicians are supposed to be sending messages. We are at the time when we are supposed to be resolving differences so we can complete our action on the budget.

Yet, on the Labor-HEW bill, that portion of the government is in danger of being shut down until they get their way on a key item in that bill, on testing. We are in danger of seeing the Interior Department budget shut down unless they get their way so they can keep cutting the redwoods in California and keep polluting Yellowstone Park. We are in danger of seeing the foreign policy budget of this country under the foreign operations bill shut down unless they get their way on the Mexico City policy.

Now we are in danger of seeing the D.C. bill held hostage unless they get their way on their social experiments for D.C. It is about time to quit the political posturing, recognize the President will not sign this bill without the passage of the Moran amendment, and pass the Moran amendment. It is the only fiscally responsible and politically responsible act to take.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 3 minutes to the gentlewoman from Kentucky [Mrs. NORTHUP].

Mrs. NORTHUP. Mr. Chairman, public schools are always going to be important in this country. They have been important across the country and they are important right here in Washington, DC. But our public schools are broken in this city. We have tried a lot of things in the last couple of years to try to bring them away. The truth is, the minority party had their way for years in developing this city and this city's schools, and we have an entirely broken system. We are looking for solutions. We believe that the public school system will continue to be very important for the children in this community, but we need to stop talking about what is good for the adults in this system. We need to think about the children. You only get to be 6 years old one time in your life. You only get to be 7 years old one time in your life. If we get it right, if we put our heads together and we deal with the systemic, broken system, maybe in 5 years, maybe in 10 years we can fix this entirely broken system. But in the meantime, the 6-year-olds that only get to be 6 once should not be trapped in an absolutely broken school system.

Every mom and dad, and I think of me and my six children, go to sleep every night worrying about the school their child is going to go to the next morning: Will they be safe and will they learn something? There is nothing more tortuous than when your child gets into a classroom and you do not believe that they can learn in that classroom. You go and talk to the principal. You try to move your child to another classroom. You look around for what your other opportunities are. But in this case, it is an entirely broken system. There is not just another teacher across the hall that will change everything. There is not just another opportunity down the street. You send your six-year-old to school trapped in a school that is neither safe nor will they learn. This is our gift to children who are going to be 6 years old, this year for the one time in their life, to the 7-year-olds who are going to be 7 years old only one time in their whole life. It is a chance for their families to make a decision to take the same action each and every one of us will.

If we fight that that is not enough, that we leave behind 75,000, then let us fight about how many other children we can find the money to give the same opportunity to, so that every 6-year-old will not be trapped in a school that is going to guarantee a bad start, guarantee going to sleep every night afraid.

Mr. Chairman, I ask Members to support the bill as it is written, so we can give children the chance they will only get this year.

Mr. MORAN of Virginia. Mr. Chairman, I yield myself such time as I may consume.

I want to emphasize this is Mr. FAIRCLOTH's bill that we are asking the House to pass.

Mr. Chairman, I yield 2½ minutes to the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Chairman, I rise in support of the Moran substitute, and in opposition to the Republican voucher scheme in the D.C. appropriation bill. This Republican assault on public education is nothing new. The radical Republican right have a plan to dismantle public education, abolish the Department of Education, cut the school lunch program, cut funding for safe- and drug-free schools, for teachers' training, for Head Start.

Two days ago the Republican leadership went to a public school in the District of Columbia to promote that radical plan, a private school voucher scheme that would drain needed resources from our public schools. Here today we consider a deal that includes the voucher scheme, a scheme that would drain $45 million in Federal funds away from public schools in the District.

So do not be fooled. The Republicans' agenda is a hidden agenda to destroy public education. To this radical plan, to this extreme plan, I say no, and the Democrats say no. This morning the Democratic Members marched in celebration of public education from the steps of the Capitol to the steps of Brent Elementary School in Southeast Washington. We marched to support our public schools. We marched to protest the Republican private school voucher scheme. We marched to make a very simple and elementary case: public schools in every State, city, town, village, and hamlet need and deserve our support. Nine out of every ten students attend public schools. We should be working and building together to improve our public schools, not giving up on them and selling them down the river.

Mr. Chairman, our children deserve better than the easy scheme and quick-fix solution, our students deserve better. They deserve good schools, good teachers, and an education that takes them into the 21st century. Stop attacking our public schools.

Mr. Chairman, I urge all of my colleagues to support the Moran substitute.

Early this morning during the debate on the rule a Member on the other side tried to imply that Martin Luther King, Jr., would support vouchers. Let me say that I knew Martin Luther King, Jr. He was a friend of mine. He was my leader. If he were here today, he would not be supporting what the Republicans are trying to do to the District of Columbia.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Chairman, I rise today against many of the tenets of this bill that we have before us, the D.C. bill, because I think it does take away basic responsibilities of government, of people to govern themselves and pay their taxes, and they ought to be given the same privileges as any other municipality in this Nation.

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However, I also rise because I have heard my name mentioned on several

occasions during this debate, and I came over from my office because I think it is imperative, as one who has stood in favor of vouchers, that at least I state my position for the record in this House.

Mr. Chairman, I think it is important for us to understand, as far as I am concerned, and let me give my credentials so those that wonder if I have a right to even speak on education, I spent 7 years in higher education as a dean at Boston University and at Lincoln University. I have started my own school 15 years ago, pre-K to eighth grade. So I think I have some understanding of the educational process here.

I also understand that in the communities that are most impacted by the issues that have been raised at least by this bill, that many of our young people are not getting the kind of education that prepares them to function competitively in a global society.

Our reality becomes one of trying to determine whether our moral obligation is to continue to maintain a monolith that does not seem to understand that there has emerged and developed within it a two-tiered system. There is a system that does educate properly those young people who represent the highest economic brackets of American society. There is also a lower tier. The young people in the lower tier are generally represented in those communities that I represent and many of my colleagues in this Congress represent.

Mr. Chairman, I think it is time for us to try to remove the politics, Republican or Democrat, and deal with the reality that our children are not being properly educated in many of our schools. They are not being readied for the testing that they must face as they try to move forward in life. No matter where we go in urban America, we must admit, whether we want to or not, that our public schools in certain communities are failing our children.

I started out my career as a social worker in Head Start. We tested kids at the second grade level when they were leaving Head Start. Two years later, we tested those kids at the second grade level in public education.

I am not against public education, but I would say that when the borders of America opened up and the Big Three thought they had a monopoly in the automobile business, when they felt there was competition, they improved. Everywhere where choice has been introduced in this country, schools have improved in the public sector as well.

I would argue that if it was good for the automobile industry, certainly our children are more valuable than that. If we made changes in telecommunications to create competition, certainly our children are more valuable than that. My argument is: Let us put the emphasis where it ought to be. That is for the children.

I do not support this bill, but I do support vouchers, and I think it is time for us to wake up, because we cannot afford to keep losing generations of our children and sending them to jail because we do not believe that we ought to continue to try to reform public education.

Mr. MORAN of Virginia. Mr. Chairman, I yield myself 5 seconds.

Mr. Chairman, I would just ask the gentleman whether he supports the Moran substitute, the amendment that we are proposing.

Mr. FLAKE. Mr. Chairman, if the gentleman will yield, I will look at it.

Mr. MORAN of Virginia. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. CONYERS].

Mr. CONYERS. Mr. Chairman, I would say to the gentleman from New York [Mr. FLAKE], my dear friend, Reverend Congressman FLAKE, whose career has been preeminent since I have been here, I hold a letter from Dr. Andrew Brimmer, I hold a letter from the Executive Office of the President of the United States. One begs us to support the Moran substitute; the other guarantees that the Gingrich bill will be vetoed if it ever gets near passage of law.

Now, while the gentleman from New York is busy studying for the next 2 hours the Moran substitute, I want him to have this heavy on his heart. We need the gentleman's support. This is one of the most important final measures that the gentleman will pass on, and we want to remember him in all the spirit of excellence in which he has served in the Congress.

Mr. FLAKE. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from New York.

Mr. FLAKE. Mr. Chairman, if the gentleman remembers me as a person who has spent a lifetime building schools and preparing young people for the future, then I think he will be able to remember me in that way. Children first, education first, and I will do what is appropriate for the bill.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas [Mr. TIAHRT].

Mr. TIAHRT. Mr. Chairman, I commend the gentleman from North Carolina [Mr. TAYLOR] for doing a fine job, and I rise in opposition to the Moran amendment because I believe it will weaken the city and weaken the ability of the city to recover from the financial stress it has been under. It will also weaken the management capability that they have.

Mr. Chairman, if my colleagues oppose this amendment, they will improve the city's finances by allowing for the recovery of fees and costs from bad checks. By opposing this amendment, they will clarify the city's authority over unclaimed property. By opposing this amendment, they will provide more accountability in tightening the detailees. There are some city offices that hide the size of their bureaucracy by detailees, and by opposing this amendment, my colleagues will allow the city to make direct deposits and payments.

Also, if my colleagues support this amendment, they will strike $12 million to collect unpaid taxes, which will net an additional $50 million for this city. If my colleagues allow this amendment to pass, they will remove many of the management tools that are necessary to manage this city.

Mr. Chairman, there are some limitations on the Control Board in this bill, but they are related to accountability. And in the public sector, there is nothing wrong with accountability.

Let us look at the schools. They are desperately in need of attention here. This amendment protects the status quo. It protects the crumbling schools. It protects the dropout rate. It protects the status quo. It does not restrict pay raises to teachers with valid credentials, nor does it remove the bureaucracy in the school administration office.

Mr. Chairman, D.C. schools spends $9,400 a year per student, with a third going to administration, a third going to overhead, and only a third getting to the classroom. We need to focus our resources on the classroom. That is where the rubber meets the road. It is not in the school administration. It is not in the overhead. It is in the classroom.

Mr. Chairman, vouchers seem to be the driving force of this amendment. I must say that vouchers are in full sense a freedom. During Reconstruction, it was the radical Republicans who believed in full citizenship for African-Americans, and today it is radical Republicans, if my colleagues listen to the gentleman from New York [Mr. FLAKE], that believe in freedom of choice for children of color here in the District of Columbia.

We want to take the most impoverished children and give them the opportunity to go to a school where there is hope, where they can rise above the desperation they see in their daily lives. What is wrong with us allowing them the opportunity to select a different option?

Well, this amendment I think is, again, protecting the status quo. It is trying to defend something that I think is indefensible. So let us not bind up the opportunity for children in poverty to move out of their bondage of a school that is crumbling and unsafe, but give them the opportunity to select the type of school that will give them the opportunity they can use in the future.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. TIAHRT. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I would ask the gentleman how much his school district spends on its children in his district per student.

Mr. TIAHRT. Mr. Chairman, reclaiming my time, in Kansas we spend about $4,100 per student.

Ms. WATERS. Mr. Chairman, if the gentleman would continue to yield, what is the ratio to administrators?

Mr. TIAHRT. Mr. Chairman, again reclaiming my time, I am sorry, I do not know that.

Ms. WATERS. Mr. Chairman, if the gentleman would again yield, that is what I thought.

Mr. MORAN of Virginia. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. SCOTT].

Mr. SCOTT. Mr. Chairman, I rise in support of the Moran amendment, particularly because it eliminates the voucher program which constitutes a frontal assault on the idea of universal education for all, and it also violates church-state separation.

Mr. Chairman, we ought to be asking as we consider vouchers whether or not this program will help improve education for all of our children, whether it will foster discrimination, and whether there are better ways to use the money.

First of all, Mr. Chairman, many cite the polls, and they asked in the poll question: Do you support a voucher plan that will allow parents to send their children to a public, private, or parochial school of their choice?

Mr. Chairman, let me offer a few facts on the table. Only 3 percent might get a voucher, 97 percent will not. There are not enough seats in the Washington, D.C., area for 2,000 additional children to go to private school. Most of those are religious schools, where there will be constitutional challenges, so most of the 3 percent will not even be able to use the vouchers.

We have to differentiate, Mr. Chairman, between the cost of the school and the tuition. Unless there is significant private underwriting, there are not going to be any additional seats for people to go to.

So the polls should be asking, Mr. Chairman, whether or not people support a plan that will give 3 percent a voucher that most cannot use, and divert money from a school system that needs new roofs, and do nothing for 97 percent of the students.

Mr. Chairman, we know how to improve education. We need to invest in education, and we can make significant improvements if we do that.

Mr. Chairman, we know the voucher program is also an insult to the residents of Washington, D.C., who have voted against it in the polls, and their elected representatives have repeatedly rejected it. So we know what they think about the voucher program, and we should not substitute what we know they have done with the results of a misleading poll which generates political sound bites.

Mr. Chairman, let us invest in our education funds and public education to improve education for all. I urge my colleagues to reject vouchers and support the Moran amendment.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio, [Ms. PRYCE].

Ms. PRYCE of Ohio. Mr. Chairman, just the other day I visited Hine Junior High School with some of my colleagues just a few blocks away from the Capitol, and while there, I spoke with the students. They are wonderfully bright, capable students. They deserve the best in education, just like young people all across America do.

Unfortunately, Mr. Chairman, many children in the District of Columbia are made to endure some of the lowest school standards and some of the most dangerous conditions in the country, despite the fact that the D.C. public schools spend some of the most money per student in the Nation. Clearly, throwing money at the problem is not working to improve these schools.

Mr. Chairman, some fortunate students in the District have families who can afford to send their children to private schools, parochial schools, or to move to the suburbs where the schools might be better. But many in the District do not have that luxury.

It is a crime that some would suggest simply maintaining the status quo for those families who have no choice, relegating their children to the prison of the same tired, dangerous, underperforming public school system that we have been observing with horror for too many years now.

Mr. Chairman, it is important to note that this bill does not take money from the D.C. public school budget. It adds scholarships on top of that budget. This bill will, in fact, enable more money to be spent on the children who remain in the D.C. public schools, enhancing education for all students across the board.

Mr. Chairman, by providing parents some choice, we will be sending a wake-up call to the public school system telling them they can no longer take the children of D.C. for granted. By passing this reform, we will be telling the D.C. public schools, you must change, you must produce, you must live up to the hopes and dreams of the children and the families of the District of Columbia. Now is the time, and here are the resources.

Mr. Chairman, I strongly urge the defeat of the Moran amendment that would critically strip out this critical reform.

Mr. MORAN of Virginia. Mr. Chairman, I am glad that [Ms. PRYCE] mentioned Hine Junior High School, which is a very fine public junior high school.

Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. ROEMER].

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

Mr. ROEMER. Mr. Chairman, I first of all want to thank the gentleman from Virginia [Mr. MORAN], my good friend who has done such hard work on this bill.

Mr. Chairman, I rise in strong support of his substitute bill. Now, I want to talk about vouchers for just a second here. I find it tough to listen to some people on the other side of the aisle that all of a sudden say they want to help low-income people in D.C., when we had proposals coming from them a few weeks ago saying that we do not want even welfare recipients moving from welfare to work to get the minimum wage. But they are ''real concerned'' about low-income people in D.C.

Now, the voucher program in D.C. would maybe help a few thousand people out of 76,000 students in the public education system. That is like saying to Americans, well, we found out the IRS is terribly broken, but let us just fix it for a few people and let everybody else have the IRS completely mess up their lives.

We need to take on the tough reforms in public education to solve it for all public school students in California, in Indiana, and in D.C. That means public school choice and charter schools. That means firing teachers that do not do the job and getting rid of principals that are not doing the job. That means safety and discipline in the schools. That means teacher academies to teach the next generation of 2 million new teachers that we need to hire for the next 10 years.

Mr. Chairman, it is not a bumper-sticker solution like private school vouchers that is going to fix this public education system. It is hard work. It is public choice. It is safety and discipline. It is parental involvement.

I think all Americans know we all need to work together to save our public education system and not posture with bumper-sticker solutions to save a few thousand children here or there and suck away precious resources from rural and suburban and inner-city schools.

Mr. Chairman, I strongly urge my colleagues to support the amendment of the gentleman from Virginia.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 3 minutes to the gentlewoman from Texas [Ms. GRANGER].

Ms. GRANGER. Mr. Chairman, I rise today in support of school choice for the parents of the District of Columbia. I do so because I believe a good education is an American right, not a privilege, and today too many of our young people have had their rights denied.

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I support school choice. As a teacher and a mother, no one supports America's teachers more than I do. As a former public school teacher myself I realize, recognize and respect the vital role that teachers play in shaping and challenging young lives and eager minds. I believe our teachers are America's heroes. And as I like to say, most people spend their lives building careers, but teachers spend their careers building lives.

It is precisely because of my support for teachers that I support school choice. I believe allowing parents to choose a school will allow schools to treat teachers with the respect and authority and dignity they deserve. Schools will be able to hire good teachers at good pay for doing good work,

and teachers will be empowered to teach sound basics and in safe classrooms.

For too long we have allowed our teachers to be taken for granted while our students have just been taken. I believe school choice will empower our schools, our communities, our teachers and our students. We can do no less for our children, although they deserve much more.

School choice is good news for America's teachers but it is even better news for America's parents. As the mother of three, I know how important it is to be able to send my children to schools I trust with teachers I know and parents I can work with.

Of my children, one graduated from private school, one from church school, and one from public school. Each of these schools was tailor made to serve the specific interests and individual needs of my children, yet not one of these schools could have served all three of my children. Why? Because each school is different and every child is unique. The one-size-fits-all approach of yesterday does not work in the classrooms of today. Yet it is exactly what millions of inner city parents are faced with each year, no choice of a better school, no chance of a good education, and thus no change in the status quo.

As this Congress begins to address the issue of school choice for the children of the District of Columbia, I think it might be helpful if we asked ourselves a simple question: Why not? Why not allow our schools the chance to improve and our teachers the chance to teach? Why not allow our parents a chance to spend their own money sending their own kids to their own school of choice? I would ask those in the opposition, if it were their child, what choice would they make?

Mr. MORAN of Virginia. Mr. Chairman, I yield 2 minutes to the honorable gentlewoman from Maryland [Mrs. MORELLA], vice chairman of the Subcommittee on the District of Columbia.

Mrs. MORELLA. I thank the gentleman for yielding the time.

Mr. Chairman, as was mentioned, as vice chairman of the Subcommittee on the District of Columbia under the Committee on Government Reform and Oversight, I have, like my colleagues, worked hard on legislation that I believe will help to revitalize the District of Columbia. That legislation allows the Federal Government to assume some burdensome responsibilities that had been borne by the District and puts into place some important management controls.

I believe the House bill that is before us would undo some of this carefully crafted legislation. That is why I am supporting the Moran substitute. It is my understanding that there are more than 60 provisions in the House bill that are not in the Senate bill. I believe that many of these provisions are an undue attempt to micromanage the District government. We have no business doing that. The day-to-day operations of the District should still be in the hands of the Mayor and City Council with oversight by the financial control board. Congress set up the Financial Control Board. We should allow the panel to do its job.

I believe it is essential to move this legislation along and pass on a D.C. appropriations bill in a timely fashion. Many of the micromanagement provisions in the House bill would really gravely stall the legislative process and prevent the District from receiving its funding. This has happened in the past. It has impacted millions of people in the Washington region who depend on an efficient budget process. So I want to move this process ahead.

I appreciate the hard work by the chairman and the members of the subcommittee. I know this bill was crafted with a great deal of care and diligence. However, the Senate bill is free of those controversial riders that could unfortunately hold captive the District's much-needed funds. For that reason, I urge my colleagues to support the Moran substitute.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 2 minutes to the gentlewoman from Washington [Ms. DUNN].

Ms. DUNN. Mr. Chairman, I respect the gentlewoman from Maryland's opinions but I disagree with them. Today I rise to say that the District of Columbia's students and their parents ought to have a choice.

Americans have differing opinions on many issues today but we all want our children to have the world's best education. That is precisely why I support educational choice scholarships for D.C. students. Tuition scholarships offer real educational opportunities to families whose children simply do not have the option of attending the best schools possible.

The Democrat substitute before us today would deny educational choice to poor working families in the District, and that is why we should oppose it. The scholarship opportunities provided in our bill offer hope to children who are now confined to failing, often violence-filled public schools. Passing our bill into law will mean that low income families will be able to send their children to public or private schools that are successful, and that the District's struggling public schools will be compelled to compete and then get better in order to attract students.

In short, parents must have a choice if the District's children are to have a chance. Parents should be able to hold schools accountable.

For instance, D.C. parents know that 85 percent of the District's public school graduates who enter the University of the District of Columbia need 2 years of remedial education before beginning to earn their degrees. Parents know that the current leaking roof problems are minor when compared to the problems of violence and academic failure in many of the D.C. public schools. That is why parents in the District, regardless of ethnicity, overwhelmingly support opportunity scholarships.

We must do better. We must provide an alternative; namely, the scholarship program on which the gentleman from Texas [Mr. ARMEY], the majority leader, has provided such clear leadership. Vote against the Democrat substitute. Vote for educational scholarships and real opportunity for the less affluent children of the District, and join me in looking forward to the day when parents try to get their children into D.C. public schools.

Mr. MORAN of Virginia. Mr. Chairman, I yield 3 minutes to the gentlewoman from Florida [Mrs. MEEK].

(Mrs. MEEK of Florida asked and was given permission to revise and extend her remarks.)

Mrs. MEEK of Florida. Mr. Chairman, I wholeheartedly and strongly support the Moran amendment. It is a good substitute for the House bill. The House bill is flawed and we know it.

Much of what is in the House bill has an overriding concern behind it and it is money, m-o-n-e-y. It is what is drawing and flying through this country with the voucher movement. Do we not know, are we not sensible enough to know that if the Congress of the United States had not appropriated $7 million or more for this school voucher program here in Washington, D.C., the same people who are perpetuating it would have nothing to say about helping the kids in the District?

We need to understand that the District is not a laboratory school for this Congress. The proponents do not know enough about education to even set up a laboratory school. We have not had a committee look at this, but the proponents want to attach it to an appropriation bill without any substance.

The District deserves a thorough analysis before we change their school system. Bring to me one ounce of support that shows that the voucher system will improve on any current system in this country. We can go to Wisconsin and they can show me some minimal things but, overall, show me the impact of the voucher system on regular school systems in this country. I have been an educator for 42 years. Show me, instead of talking.

I know that money drives the voucher. None of these private schools wanted the kids from my District five years ago. They did not want them two years ago. But now there is a movement through this country, that they feel that the money that is in public education will now go to their schools.

Let the District have its own schools. Let them educate their children. We are sick and tired of this beltway colonialism. That is the only word I can say for it. We are going to superimpose our feelings on the District.

These are smart people. They know what they are doing. Give them a chance. It is flawed.

I want to say a word or two about the law school of the University of the District of Columbia. Let us preserve that law school. Let us keep it going.

I want to yield to the gentleman from Michigan [Mr. CONYERS], but before I do I want to say, keep this law school. We need it. We need it to keep the principles of educating our children here. Do not give it any kind of standards that it cannot meet.

Mr. Chairman, I yield to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Chairman, I do want to take this opportunity during the gentlewoman's time on the debate to praise her for the unstinting, unswerving commitment that she has shown on the floor, in the committee, in the Committee on Rules for preserving the University of the District of Columbia Law School. The gentlewoman has our undying gratitude.

Mrs. MEEK of Florida. Mr. Chairman, I thank the gentleman.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 2 minutes and 15 seconds to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Chairman, I thank my very good friend for yielding me the time.

I want to say to my colleagues, it is unfortunate we cannot, I speak as a subcommittee chairman of the Committee on Education and the Workforce, we cannot have today, although I believe it is coming in the near future, a debate on giving low income parents the full range of choice across all competing institutions. I wish we could have a separate debate.

I am opposed to the Moran substitute, which would effectively gut the bill of the gentleman from North Carolina [Mr. TAYLOR] and the very important and I think very necessary reforms that he is trying to enact in the District of Columbia. And I am fascinated that just in terms of the politics of this debate, it is pretty clear, I hope, to those that are watching and listening, who the progressives are and who the conservatives are, the conservatives that are trying to defend an indefensible status quo.

Do not take my word for it. Listen to the Washington Post that last February ran a 5 part series. I hope my colleagues saw it. For those that want to stand up here and defend the District of Columbia public schools on that particular school system, they concluded that D.C. public schools are ''a well-financed failure.''

A well financed failure. A school system that employs almost two times more administrators than the national average. Despite spending between $7,500 to $9,000 per student, which is one of the highest averages in the country, the District of Columbia public schools have one of the highest, in fact the highest, the highest failure rate amongst their students, the lowest graduation rates, the lowest test scores of any inner city school district in the country.

We are afraid to experiment by allowing a few more parents and a few more families a way out. Last year, because we had a break in the congressional schedule, I was able to coach basketball at my son's high school. We came into the District of Columbia and we played games at Gonzaga High School just a couple of blocks away, Carroll High School and St. Johns High School right up the road. The student bodies there were predominantly, if not exclusively, African American, old facilities.

I just found myself saying, why cannot all District of Columbia families have the opportunity to send their children to these type of schools. Schools should be a magnet, not a trap. As the majority leader pointed out, schools exist to serve our children, not bureaucracies. Believe me, if I say nothing else that my colleagues recall today, the District of Columbia public school system will reform itself only when parents are able to choose the schools that they think are best able to educate their children.

The CHAIRMAN pro tempore. The Chair would advise all Members that the gentleman from North Carolina [Mr. TAYLOR] has 20½ minutes remaining, and the gentleman from Virginia [Mr. MORAN] has 15½ minutes remaining. The gentleman from North Carolina [Mr. TAYLOR] has the right to close the debate.

Mr. MORAN of Virginia. Mr. Chairman, I yield 1¼ minutes to the gentleman from California [Mr. DIXON].

Mr. DIXON. Mr. Chairman, I would like to address a question to my colleague, the gentleman from California [Mr. RIGGS]. He used the term ''experiment.'' I think we all agree it is an experiment.

My question to him is, what is this experiment going to prove at the end of it? What will we do in response to that experiment?

This relates back to a dialogue that I had with the Speaker, the gentleman from Georgia [Mr. GINGRICH] on this floor two years ago. We have increased the bill from $42 million to $45 million. So if this experiment demonstrates that these private schools are excellent, is the Federal Government, are we willing to take taxpayer money and finance all 78,000 students? What is this experiment about?

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from California.

Mr. RIGGS. Mr. Chairman, I believe it is about challenging public schools to improve as well as giving more opportunity to the families of the District of Columbia.

Mr. DIXON. Mr. Chairman, what is the experiment? After we look at this, then what do we do next? Because it is an experiment to prove or disprove something.

I will concede to the gentleman that there are good public schools and there are good private schools. What does it mean to take 2,000 vouchers and give to people, 185 percent of poverty, some do well, others do not do well? Are we prepared to spend taxpayers' money to fund 78,000 kids in the District of Columbia and private schools?

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Mr. RIGGS. If the gentleman will continue to yield, personally I am very prepared to make that commitment, and I think that debate is coming in the near future.

But what this is all about, bottom line, is trying to create bootstrap improvement in the public schools and not lose another generation of D.C. schoolchildren.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. LAHOOD). The Chair will remind all persons in the gallery that they are here as guests of the House and that any manifestation of approval or disapproval of proceedings is a violation of the House rules.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 2–¾ minutes to the gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Chairman, I thank the gentleman for yielding me this time, and for my colleagues' indulgence, especially since I have spoken a couple of times in the last 2 days, which is more commonly than I normally speak on the House floor.

This is an issue I feel strongly about, Mr. Chairman. I think it is a shame. I think it is sad that so many people inside this House and outside this House have been fighting to the last ditch on behalf of the system that has trapped thousands and thousands of poor parents and their children in schools where they are not safe, where they do not learn, and where none of us would send our own children: The D.C. public schools.

Now, we have had discussions, on this side of the aisle anyway, about the problems these schools are having. One of my colleagues said it needs some improvement. Well, that is correct. Seventy-eight percent of the 4th graders in the D.C. Public School System cannot read up to the national average. What will happen to those kids, Mr. Chairman? Do my colleagues know what happens to children if by the 4th grade they cannot read?

This is a system that closed down the schools for 3 weeks at the beginning of the year without any notice to the parents, closed down all the schools because the roofs were falling in.

We have heard a lot of arguments against this little scholarship program in this bill. It only affects 3 percent of the kids. That is because we are having difficulty getting the money even to do that. Another one: We cannot let any of these kids escape. We have to hold them all hostage to this system until we can make the whole system better.

How many of us would put our own kids in this system on the gamble that the system will change fast enough so