The data are undeniable: Individuals from strong families contribute to the society. In an era when nearly half of all couples married today will see their union dissolve into divorce, I believe it is both instructive and important to honor those who have taken the commitment of ''till death us do part'' seriously, demonstrating successfully the timeless principles of love, honor, and fidelity. These characteristics make our country strong.

For these important reasons, I rise today to honor Margaret and Ralph Bender of Garden Grove, CA, who on October 11, 1997, will celebrate their 70th wedding anniversary. My wife, Janet, and I look forward to the day we can celebrate a similar milestone. The Benders' commitment to the principles and values of their marriage deserves to be saluted and recognized.

HONORING THE SHEAS ON THEIR 50TH WEDDING ANNIVERSARY

Mr. ASHCROFT. Mr. President, families are the cornerstone of America. The data are undeniable: Individuals from strong families contribute to the society. In an era when nearly half of all couples married today will see their union dissolve into divorce, I believe it is both instructive and important to honor those who have taken the commitment of ''till death us do part'' seriously, demonstrating successfully the timeless principles of love, honor, and fidelity. These characteristics make our country strong.

For these important reasons, I rise today to honor Betty and Bob Shea of St. Louis, MO, who on November 30, 1997, will celebrate their 50th wedding anniversary. My wife, Janet, and I look forward to the day we can celebrate a similar milestone. The Sheas' commitment to the principles and values of their marriage deserves to be saluted and recognized.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting withdrawals and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 7, 1997, the Secretary of the Senate, on October 3, 1997, during the adjournment of the Senate, received a message from the House of Representatives announcing that Speaker has signed the following enrolled bills:

H.R. 394. An act to provide for the release of the reversionary interest held by the United States in certain property located in the County of Iosco, Michigan.

H.R. 1948. An act to provide for the exchange of lands within Admiralty Island National Monument, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on October 2, 1997 he had presented to the President of the United States, the following enrolled bills:

S. 996. An act to provide for the authorization of appropriations in each fiscal year for arbitration in United States district courts, and for other purposes.

S. 1198. An act to amend the Immigration and Nationality Act to extend the special immigrant religious worker program, to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to extend the dealine for designation of an effective date for paperwork changes in the employer sanctions program, and to require the Secretary of State to waive or reduct the fee for application and issuance of a nonimmigrant visa for aliens coming to the United States for certain charitable purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mrs. MURRAY:

S. 1248. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for vessel *Summer Breeze*; to the Committee on Commerce, Science, and Transportation.

By Mr. HAGEL (for himself and Mr. REED):

S. 1249. A bill to allow depository institutions to offer negotiable order of withdrawal accounts to all businesses, to repeal the prohibition on the payment of interest on demand deposits, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. FRIST (for himself, Mr. ROCKEFELLER, Mr. BURNS, and Mr. STEVENS):

S. 1250. A bill to authorize appropriations for the National Aeronautics and Space Administration for fiscal years 1998 and 1999, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. D'AMATO (for himself and Mr. BREAUX):

S. 1251. A bill to amend the Internal Revenue Code of 1986 to increase the amount of private activity bonds which may be issued in each State, and to index such amount for inflation; to the Committee on Finance.

By Mr. D'AMATO (for himself and Mr. GRAHAM):

S. 1252. A bill to amend the Internal Revenue Code of 1986 to increase the amount of low-income housing credits which may be allocated in each State, and to index such amount for inflation; to the Committee on Finance.

By Mr. CRAIG:

S. 1253. A bill to provide to the Federal land management agencies the authority and capability to manage effectively the federal lands in accordance with the principles of multiple use and sustained yield, and for other purposes; to the Committee on Energy and Natural Resources.

S. 1254. A bill entitled the ''Federal Lands Management Adjustment Act.''; to the Committee on Energy and Natural Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HAGEL (for himself and Mr. REED):

S. 1249. A bill to allow depository institutions to offer negotiable order of withdrawal accounts to all businesses, to repeal the prohibition on the payment of interest on demand deposits, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE SMALL BUSINESS BANKING ACT OF 1997

Mr. HAGEL. Mr. President, I rise today to introduce the Small Business Banking Act of 1997. I'm joined in this effort by my distinguished colleague Senator REED of Rhode Island, who is the principal cosponsor of this important legislation.

Passage of this bill will remove one of the last vestiges of the obsolete interest rate control system. Abolishing the statutory requirement that prohibits incorporated businesses from owning interest bearing checking accounts will provide America's small business owners, farmers, and farm cooperatives with a funds management tool that is long overdue.

Passage of this bill will ensure America's entrepreneurs can compete effectively with larger businesses. My experience as a businessman has shown me, firsthand, that it's extemely important for anyone trying to maximize profits to be able to invest funds wisely for maximum efficiencies.

During President Ronald Reagan's first term, one of his early actions was to abolish many provisions of the antiquated interest rate control system the banking system was required to use. With this change to the laws, Americans were finally able to earn interest on their checking accounts deposited in banks. Unfortunately, one aspect of the old system left untouched by the change in law was not allowing America's businesses to share in the good fortune.

Complicating matters is the growing impact of nonbanking institutions that offer deposit-like money accounts to individuals and corporations alike. Large brokerage firms have long offered interest on deposit accounts they maintain for their customers.

While I support business innovation, I don't believe it's fair when any business gains a competitive edge over another due to government interference through overregulation. This is exactly the case we have with banking laws that stifle bankers, especially America's small community bankers, and give an edge to another segment of the

financial community. The Small Business Banking Act of 1997 seeks to correct this imbalance and allow community banks to compete fairly with brokerage firms.

I'm pleased to say our bill has the strong support of America's Community Bankers and the American Farm Bureau Federation. In my home State of Nebraska, this bill has the support of the Nebraska Bankers Association and the Independent Bankers Association. These important organizations represent a crosscurrent of the type of support Senator REED and I have for our bill. Senator REED and I also have the support of the Federal regulators. In their 1996 Joint Report, ''Streamlining of Regulatory Requirements'', the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision, stated they believe the statutory prohibition against payment of interest on business checking accounts no longer serves a public purpose. I heartily agree.

Mr. President, this is a straightforward bill that will do away with an unnecessary regulation that burdens American business. I urge my colleagues to support it.

Mr. REED. Mr. President, I am pleased to join my colleague Senator HAGEL in introducing the Small Business Banking Act of 1997, legislation that eliminates a Depression-era Federal law prohibiting banks from paying interest on commercial checking accounts. This legislation represents an important victory for small business and the banking industry because it eliminates a costly and burdensome Federal prohibition that has outlived its usefulness.

The prohibition against the payment of interest on commercial accounts was originally part of a broad prohibition on the payment of interest on any deposit account. At the time of enactment, it was the popular view that payment of interest on deposits created an incentive for rural banks to shift deposits of excess funds to urban money center banks that made loans that fueled speculation. Moreover, it was believed that such transfers created liquidity crises in rural communities. However, a number of changes in the banking system since enactment of the prohibition have called into question its usefulness.

First, with the passage of the Depository Institutions Deregulatory and Monetary Control Act of 1980, Congress allowed financial institutions to offer interest-bearing accounts to individuals—a change which has not adversely affected safety and soundness. Second, a number of banks have developed complex mechanisms called sweep accounts to circumvent the interest rate prohibition. Because of the costs associated with developing sweep accounts, however, large banks have become the primary offerors of these accounts. As a result, many smaller banks are at a competitive disadvantage with larger banks that can offer their commercial depositors interest-bearing accounts. Most important, the vast majority of small businesses cannot afford to utilize sweep accounts because the cost of opening these accounts is relatively high and most small businesses do not have a large enough deposit base to justify these costs.

In light of these developments, it has become clear that the prohibition on interest-bearing commercial accounts is nothing more than a relic of the Depression era that has effectively disadvantaged small businesses and small banks, and led large banks to dedicate significant resources to circumventing the prohibition. I am, therefore, pleased to cosponsor this legislation that will eliminate this prohibition and level the playing field for small banks and small business.

By Mr. FRIST (for himself, Mr. ROCKEFELLER, Mr. BURNS, and Mr. STEVENS):

S. 1250. A bill to authorize appropriations for the National Aeronautics and Space Administration for fiscal years 1998 and 1999, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION FISCAL YEARS 1998 AND 1999 AUTHORIZATION ACT

Mr. FRIST. Mr. President, I rise to introduce the authorization bill for the National Aeronautics and Space Administration for fiscal years 1998 and 1999. I would like to thank the cosponsors of this bill, Senator ROCKEFELLER, Senator BURNS, and Senator STEVENS, as well as others who support this bill, for their hard work and dedication to making this bill a possibility.

NASA's unique mission of exploration, discovery, and innovation has preserved the U.S. role as both a leader in world aviation and as the preeminent spacefaring nation. It is NASA's mission to: Explore, use and enable the development of space for human enterprise; advance scientific knowledge and understanding of the Earth, the Solar System, and the Universe and use the environment of space for research; and research develop, verify and transfer advanced aeronautics, space and related technologies.

This bill, which authorizes NASA for $13.6 billion in fiscal year 1998 and $13.8 billion in fiscal year 1999, provides for the continued development of the international space station, space shuttle operations and safety and performance upgrades, space science, life and micro gravity sciences and applications, the Mission to Planet Earth Program, aeronautics and space transportation technology, mission communications, academic programs, mission support, and the office of the inspector general.

With this authorization the committee puts in place a sound plan under which NASA can provide assurances to the Congress that the cost and schedule difficulties of the international space station have been contained. In addition, the bill has been crafted to protect to the maximum extent possible the balance between manned and unmanned flight as well as the balance between development activities and science.

Therefore, I, along with my cosponsors urge the Members of this body to support this bill and allow NASA to continue its mission of support for all space flight, for technological progress in aeronautics, and for space science.

Mr. BURNS. Mr. President, I am proud to be a cosponsor of the NASA authorization bill for fiscal years 1998 and 1999, introduced by Senator FRIST, chairman of the Subcommittee on Science, Technology, and Space and Senator ROCKEFELLER, the ranking minority member. I would like to take this opportunity to thank both Senator FRIST and Senator ROCKEFELLER for helping to craft a bipartisan bill which balances the goals and missions of our space agency within fiscal responsibility.

This bill authorizes the full $1.4 billion requested by NASA for Mission to Planet Earth. As many of you know, I'm a strong supporter of this program because it is about using satellite technology to help average citizens in their everyday activities. The goal of this program is to provide farmers, land planners, foresters, scientists and others with cost-effective tools to help them do their work. This program provides the scientific foundation for weather forecasting on a year-to-year basis, land-use management, and to protect people, property, and the environment from natural disasters. To accomplish this goal, Mission to Planet Earth supports scientists in Montana and in other U.S. States, to carry out the experiments necessary to expand our frontier of understanding Earth.

This bill also provides authorization for $10 million for the Experimental Program to Stimulate Competitive Research [EPSCoR] Program. This funding will allow NASA to carry out a new competition to help NASA develop a stronger presence in the vital academic research programs in institutions in rural States like Montana.

Finally, I would like to note that the bill contains a new provision, section 317, which provides insurance, indemnification and liability for coverage for the X–33 and X–34 experimental aerospace vehicle tests. It draws upon provisions in the Space Act as well as the commercial Space Launch Act to provide the necessary coverage to continue innovative research and technology development in aerospace. It also provides the infrastructure needed to allow NASA to work with industry to meet the challenges of the 21st century. The X–33 program partners NASA with industry to develop a single-stage-to-orbit reusable launch vehicle. The goal is to decrease the cost of getting to space while making it safer and

more accessible. I'm proud that Montana is part of this program. Malmstrom Air Force Base near Great Falls has been selected as one of the preferred landing sites for the X–33 prototype. Landing at Malmstrom will be the longest flight for this 136-ton wedge-shaped prototype. Knowledge from these tests will be used to create the next generation launch vehicle.

I believe that we have a bill that provides NASA with the funding authorization and policy direction it will need to maintain our world leadership in space and aeronautics.

By Mr. D'AMATO (for himself and Mr. BREAUX):

S. 1251. A bill to amend the Internal Revenue Code of 1986 to increase the amount of private activity bonds which may be issued in each State, and to index such amount for inflation; to the Committee on Finance.

PRIVATE ACTIVITY BONDS LEGISLATION

Mr. D'AMATO. Mr. President, I rise today with my friend and colleague, Senator BREAUX, to introduce long overdue legislation to increase the private activity tax-exempt bond cap to $75 per capita or $250 million, if greater, and index the cap to inflation. The current cap, which has not been adjusted in over a decade—not even to account for inflation—is severely restricting the ability of States and localities to meet pressing housing, economic development, and other needed investments in their citizens and communities.

This cap, imposed in 1986, is now $50 per capita or $150 million, if greater. It applies to issuers of tax-exempt bonds for affordable single and multifamily housing, redevelopment of blighted areas, student loans, manufacturing, municipal service, and hazardous waste disposal facilities.

Cap growth is limited to State population increases, but not inflation. As a result, inflation has severely eroded capped bonds' purchasing power. The 1987 bond cap, adjusted for the current limit, would have been $14.3 billion. Ten years later, the 1997 cap is $15 billion a mere 5-percent increase—due to population—over a period of far greater inflation.

Mr. President, Congress never intended to restrict the growth of this program. In fact, Congress never intended the cap to shrink at all. It allowed the cap to grow with State populations and imposed the cap in the same legislation, the 1986 Tax Reform Act, which terminated by 1989 the two heaviest cap users: mortgage revenue bonds [MRB's] for housing, and industrial revenue bonds [IDB's] for manufacturing. That left plenty of room for the remaining capped bonds. Congress then extended MRB's and IDB's several times past the 1989 expiration dates and finally made them permanent in 1993.

What Congress did not do at that time was adjust the cap to accommodate these additional uses. Accordingly, demand for capped bonds now exceeds supply in most States. One example is the overwhelming demand in many States for MRB's, issued primarily by State Housing Finance Agencies [HFA's] to finance modestly-priced first-time homes for lower income families. In 1996, State HFA's issued almost $8 billion in MRB's for nearly 100,000 mortgages, according to the National Council of State Housing Agencies [HCSHA].

Since January 1, 1995, the State of New York Mortgage Agency [SONYMA] has financed more than 1 billion dollars' worth of affordable first-time home mortgage loans with MRB's. SONYMA's Construction Incentive Program has allocated $250 million in MRB funding which will create 2,400 new homes and 6,000 full-time jobs in New York.

The State of New York also relies heavily on tax-exempt bond authority for multifamily housing. In 1997 alone, the New York State Housing Finance Agency expects to finance $420 million worth of multifamily mortgage loans with multifamily housing bonds. This investment will create, 2,150 new, privately owned and managed apartments, 430 of which will be affordable to low-income families. In addition to providing desperately needed housing, this investment will promote economic integration in many neighborhoods.

Unfortunately, home ownership and a decent apartment remain out of reach for thousands more families whom the MRB and multifamily housing bond programs could serve better than any other. State HFA's could have used an estimated additional $2.4 billion in bond cap authority in 1996, according to NCSHA. SONYMA could have used another $100 million last year.

The private activity volume cap also includes tax-exempt bond authority to assist small and midsized companies finance the expansion of manufacturing facilities. These companies often do not have reasonable access to the capital markets and cannot easily finance construction of manufacturing facilities. I used these bonds in my capacity as town supervisor of Hempstead to allow existing businesses to grow and to attract new business. Without this financing, these companies, and their employees, would not be in New York State. Nationwide, over $2.612 billion of tax-exempt manufacturing bonds were issued in 1996. In 1996 alone, New York State issues over $96 million of tax-exempt bonds for manufacturing facilities. The Council of Development Finance Agencies reported that bond issuance increased 32 percent in 1996 from the prior year. In New York, demand for this low-cost financing greatly exceeded the almost $100 million of bonds issued. The Empire State Development Corp., a public agency, reported that demand for tax-exempt bonds to support manufacturing was about 30 percent higher than the over $96 million of bonds actually issued in 1996.

Over the years, these bonds created literally thousands of construction and permanent jobs in my home State, and tens of thousands nationwide. It is critical to raise the bond cap to facilitate job creation by small and midsized manufacturing companies. In many cases, these companies cannot obtain reasonable financing to expand, but for tax-exempt financing.

Mr. President, nationwide, demand for all bonds under the cap outstripped supply by almost $7 billion last year, according to NCHSA. New York alone faced unmet demand of more than $1 billion for all the investments strangled by the cap.

The Nation's Governors have adopted a policy calling for a cap increase. The Nation's State treasurers, National Association of Counties, and Association of Local Housing Financing Agencies [ALHFA] also support raising the cap.

One-third of the House Ways and Means Committee and nearly 100 House Members overall already have cosponsored companion legislation—H.R. 979—to increase the bond cap $75 per capita or $250 million, if greater, and index the cap to inflation.

The current cap is severely restricting the ability of States and localities from making much-needed investments in their citizens and communities. I urge my colleagues to join Senator BREAUX and me in a bipartisan effort to increase the bond cap.

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

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

S. 1251

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

SECTION 1. INCREASE IN STATE CEILING ON PRIVATE ACTIVITY BONDS.

(a) REPEAL OF POST-1987 REDUCTION.—Subsection (d) of section 146 of the Internal Revenue Code of 1986 (relating to State ceiling) is amended by striking paragraph (2).

(b) ADJUSTMENT OF STATE CEILING FOR INCREASES IN COST-OF-LIVING.—Subsection (d) of section 146 of such Code is amended by inserting after paragraph (1) the following new paragraph:

''(2) COST-OF-LIVING ADJUSTMENT.—

''(A) IN GENERAL.—In the case of a calendar year after 1998, each of the dollar amounts contained in paragraph (1) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 1997' for 'calendar year 1992' in subparagraph (B) thereof.

''(B) ROUNDING.—If any increase under subparagraph (A) is not a multiple of the applicable dollar amount, such increase shall be rounded to the nearest applicable dollar amount. For purposes of the preceding sentence, the applicable dollar amount is—

''(i) $1 in the case of an adjustment of the $75 amount in paragraph (1)(A), and

''(ii) $5 in the case of an adjustment of the $250 amount in paragraph (1)(B).''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years after 1997.

Mr. BREAUX. Mr. President, I am pleased to introduce today with my colleague, Senator D'AMATO, an important bill that will assist States and localities in working with private industry to foster economic development and provide home ownership opportunities to low-income Americans. Specifically, our bill will increase the private activity tax-exempt bond cap to $75 per capita or $250 million, if greater, and index the cap to inflation. Congress created the private activity-exempt bond decades ago to apply to mortgage revenue bonds and other bonds for multifamily housing, redevelopment of blighted areas, student loans, manufacturing, and hazardous waste disposal facilities. However, Congress unintentionally restricted the growth of this program by imposing a cap on the bond volume of $50 per capita or $150 million, if greater, which has meant States cannot meet the demand for these bonds.

Tax-exempt bonds are issued by State and local governments to provide below market interest rates to fund authorized programs and projects. Revenue bond investors accept lower interest from these bonds because the interest income is tax-exempt. Mortgage revenue bonds are issued to help lower income working families buy their first homes with low interest loans from private investment in State and local bonds, significantly lowering the cost of owning a home.

In my own State, the Louisiana Housing Finance Agency has issued over $1.1 billion in mortgage revenue bonds for almost 16,000 affordable home mortgages since the program began. In 1996 alone, the agency issued over $112 million in mortgage revenue bonds for nearly 1,200 home loans. That's 1,200 Louisiana families who now know the pride of owning their own home—Louisiana families that earned, on average, less than $28,000 last year. The Louisiana Housing Finance Agency estimates that it alone could have used another $50 million in bond authority. Nationwide, States could have used an additional $7 billion in bond cap for mortgage revenue bonds, student loan bonds, industrial revenue bonds, pollution control bonds, and other worthy investments.

Student loan bonds are issued to raise a pool of money at tax-exempt interest rates to fund college loans at lesser interest rates. In my State, the Louisiana Public Facilities Authority has issued $745 million in student loan bonds since 1984. These bonds have funded over 80,000 college loans for deserving Louisiana students—students who otherwise might not have been able to afford to attend college.

In Louisiana, the roughly $40 million of remaining 1997 volume cap will not come close to fulfilling the $330 million of demand for these bonds. The total 1997 volume cap for Louisiana was $217,500,000. After funding minimal housing and student loan needs, little volume cap remains available for industrial development bonds for manufacturing purposes. Many of the industrial and manufacturing facilities create substantial employment opportunities that are not possible due in part to a deficiency in volume cap.

Our bill will correct this woeful situation and improve the ability of States and localities to provide home ownership opportunities to low-income families throughout the United States, to help fund student loans for college students and to help finance industrial and manufacturing facilities. These facilities will, in turn, increase employment and the tax base of local governments. I urge my colleagues to join me and Senator D'AMATO in this effort.

By Mr. D'AMATO (for himself and Mr. GRAHAM):

S. 1252. A bill to amend the Internal Revenue Code of 1986 to increase the amount of low-income housing credits which may be allocated in each State, and to index such amount for inflation; to the Committee on Finance.

THE LOW-INCOME HOUSING TAX CREDIT CAP ACT OF 1997

Mr. D'AMATO. Mr. President, I rise today with my friend and colleague, Senator GRAHAM of Florida, to introduce long overdue legislation to increase the cap on State authority to allocate low-income housing tax credits—housing credits—to $1.75 per capita, and to index the cap to inflation. The current cap of $1.25 per capita has not been adjusted—not even to account for inflation—since the program was created over a decade ago. This cap is strangling a State's capacity to meet pressing low-income housing needs.

Annual cap growth is limited to the increase in State population, which has only been 5 percent nationwide over the past decade. During the same time period, inflation has eroded the housing credit's purchasing power by approximately 45 percent, as measured by the Consumer Price Index.

Mr. President, as you may know, housing credits are the primary Federal-State tool for producing affordable rental housing across the country. Since 1987, State agencies have allocated more than $3 billion in housing credits to help finance nearly 900,000 apartments for low-income families, including 75,000 apartments in 1996. In my own State of New York, the credit is responsible for helping finance 44,000 apartments for low-income New Yorkers, including 4,450 apartments in 1996.

Earlier this year, the General Accounting Office issued a comprehensive report giving the housing credit a clean bill of health. That report documents that the program in fact exceeds a number of important congressional objectives. For example, though the law allows housing credit apartment renters to earn up to 60 percent of the area median income, GAO documented the average tenant's income at just 37 percent, and found that more than three out of four renters have incomes under 50 percent of the area median income. GAO also found that rents in housing credit apartments are well below market rents, up to 23 percent less than the maximum permitted, and 25 percent below HUD's national fair market rent.

The GAO report also documents that States are giving preference to apartments serving low-income tenants longer than the 15 years the law requires. In fact, two-thirds of the apartments GAO studied were set aside for low-income use for 30 years or more.

A second major assessment of the credit has been objectively completed by Ernst & Young, reiterating many of the positive findings of the GAO report, demonstrating a tremendous need for additional affordable housing, and documenting the devastating effect of the current cap on States' ability to finance this critically needed housing.

Despite the success of the housing credit in meeting affordable rental housing needs, the apartments it helps finance can barely keep pace with the nearly 100,000 low cost apartments which are demolished, abandoned, or converted to market rate use each year. Increasing the housing credit cap, as Senator GRAHAM and I propose, would allow States to finance approximately 25,000 more critically needed low-income apartments each year.

Nationwide, demand for housing credits outstrips supply by more than 3 to 1. In 1996, States received applications requesting more than $1.2 billion in housing credits—far surpassing the $365 million in credit authority available to allocate that year.

In New York, the New York Division of Housing and Community Renewal received applications requesting more than $104 million in housing credits in 1996—nearly four times the $29 million in credit authority it already had available. When I think of the immense need for affordable housing within my State, I can only characterize this decade-old limit on State credit authority as an overwhelmingly lost opportunity.

Mr. President, in 1993, Congress made the housing credit permanent with unprecedented, overwhelmingly bipartisan cosponsorship. In addition, the Nation's Governors have adopted a policy calling for an increase in the housing credit cap.

Mr. GRAHAM. Mr. President, today I join my colleague Senator D'AMATO as we introduce legislation to increase the amount of low income housing tax credits allocated to the States and to index the low-income housing credit for inflation.

In a time of fiscal austerity, housing credits encourage private investment in economically sound, privately owned, affordable homes for low-income working families in all 50 States. By helping families that get up and go to work every day to earn their rent and mortgage payments, the low-income housing credit provides families with an important stake in maintaining self-sufficiency.

Mr. President, the low-income housing tax credit was created in the 1986

tax reform bill in the wake of decreasing appropriations for federally-assisted housing and the elimination of other tax incentives for rental housing production. The housing credit encourages the construction and renovation of low-income housing by reducing the tax liability placed on the developers of affordable homes. The credit is based on the costs of development as well as the percentage of units devoted to low-income families or individuals.

The current formula used in determining a State's housing credit allocation is $1.25 multiplied by the State's population. Unlike other provisions in the Tax Code, this formula has not been adjusted since the credit was created in 1986. During the same period, inflation has eroded the credit's purchasing power by nearly 45 percent, as measured by the Consumer Price Index.

The bipartisan bill Senator D'AMATO and I introduce today proposes to increase the annual limitation on State authority to allocate low income housing tax credits to $1.75 per capita and index the cap for inflation. By freeing the 10-year-old cap on housing credits from its current limitation, as requested by the Nation's Governors, our bill will liberate States' capacity to help millions of Americans who still have no decent, safe, affordable place to live.

A brief look at the history of the housing credit provides ample evidence of why our legislation is needed. In the State of Florida, for example, the LIHTC has used more than $187 million in tax credits to produce approximately 42,000 affordable, rental units, valued at over $2.2 billion. Tax credit dollars are leveraged at an average of $18 to $1. Nevertheless, in 1996, nationwide demand for the housing credit greatly out paced supply by a ratio of nearly 3 to 1. In Florida, credits are distributed based upon a competitive application process and many worthwhile projects are denied due to a lack of tax credit authority.

This spring, the U.S. General Accounting Office [GAO], Congress' main investigative agency, released a national audit of the Low-Income Housing Tax Credit Program. The GAO found that the average housing credit apartment renter earns only 37 percent of the local area median income. Further, surveyed properties—more than 450—appeared to be in good condition and well-maintained. Additionally, the GAO reported that housing credit properties ''overwhelmingly comply with statutory and regulatory requirements.''

Mr. President, I'd like to draw attention to one example of how the low-income housing tax credit has benefited American families. I am referring to the Holly Cove housing community developed by Vestcor Equities near Jacksonville, FL. Vestcor provides clean, safe and affordable living environments for low- to moderate-income residents by developing, renovating, and operating multifamily communities.

In addition to affordable housing, Vestcor, through developments such as Holly Cove provides community services to improve the quality of life of their residents. Through counseling, education, and resident involvement, Vestcor energizes its community and provides residents with the tools they need for success. Activities and educational programs offered include: budgeting and credit counseling, resume writing assistance, GED classes, substance abuse counseling, and after school homework assistance. In short, with the help of the low-income housing tax credit, Vestcor Equities strengthens the community by investing in children and families.

Vestcor Equities provides first-hand evidence of the important role the low-income housing tax credit offers as a catalyst of private sector investment in our communities.

Mr. President, as we struggle to balance the budget and restore fiscal responsibility in Washington, the housing credit allows bureaucrats to step aside and let the free market fill an important need in America's communities. I hope my colleagues will embrace this important legislation.

By Mr. CRAIG:

S. 1253. A bill to provide to the Federal land management agencies the authority and capability to manage effectively the Federal lands in accordance with the principles of multiple use and sustained yield, and for other purposes; to the Committee on Energy and Natural Resources.

THE PUBLIC LANDS MANAGEMENT IMPROVEMENT ACT OF 1997

S. 1254. A bill to provide a procedure for the submission to Congress of proposals for, and permit upon subsequent enactment of law, assumption of management authority over certain Federal lands by States and nonprofit organizations; to encourage the development and application to Federal lands of alternative management programs that may be more innovative, less costly, and more reflective of the neighboring communities' and publics' concerns and needs, and for other purposes; to the Committee on Energy and Natural Resources.

THE FEDERAL LANDS MANAGEMENT ADJUSTMENT ACT

Mr. CRAIG. Mr. President, this week marked the 21st anniversary of the congressional passage of the 1976 National Forest Management Act. It is, therefore, a particularly appropriate time to discuss revisions to modernize NFMA and the Federal Land Policy and Management Act also passed in 1976. Today, I am introducing a revised version draft of a legislative proposal I first circulated for comments and review last December.

Actually, as I will explain shortly, I am introducing two bills today. The first bill, called the Public Lands Improvement Act of 1997, provides a series of reforms to the management programs of the Forest Service and the Bureau of Land Management. The second bill, called the Federal Lands Management Adjustment Act of 1997, provides an opportunity for the States or other parties to seek certain management responsibilities for Federal, multiple-use lands.

These two bills were bound together as one proposal in my December draft. But they have changed significantly as a consequence of six workshops sponsored by the Subcommittee on Forests and Public Land Management, as well as a foot-thick pile of comments provided by individuals and groups who took the time and effort to review the December proposal, offer us their views, and suggest many helpful changes.

The proposal that I am introducing today has been shared with the Clinton administration. We reviewed the proposal with them earlier this week. In the very near future, we will hear their formal comments on the proposal. But I think it is fair to say that, at this point, the administration still embraces the proposition that no statutory changes are needed to the confusing and conflicting mandates that govern the Forest Service and BLM. A number of serious observers and students of these two agencies—most notably the General Accounting Office in a series of research efforts conducted on behalf of myself and Senator MURKOWSKI—disagree strongly.

Nevertheless, the administration's present posture is to inveigh against any changes to the law. This position makes it very difficult for this bill, or any bill, to be introduced with the kind of bipartisan support that will be needed to eventually secure passage of legislation in this area. Consequently, I am introducing this bill alone, even though there are numerous Senators on our side of the aisle who would like to be cosponsors. I have asked the full committee chairman, Senator MURKOWSKI, to join me.

I point out this reality not to pick a fight with the administration. Rather, I want to make it clear that I am introducing it by myself—without political cover—so that a spirit of bipartisan cooperation can have a chance to grow as we move into the formal hearings process. Any significant changes in this area of law will, by both design and necessity, be the product of bipartisan collaboration between the Congress and the administration. I not only accept this—I welcome it.

At the same time, if you look closely at the Interior and related agencies appropriations bill reported by the Senate, you will see a number of instances where Senator GORTON and I have made it clear to the administration that—absent clarifying legislative changes to confusing and expensive statutory mandates—we are not prepared to continue to spend money to no particular end. At this point, we are sending good money after bad.

These existing statutes—NFMA and FLPMA—are 21 years old. Their implementation today conjures the image of

a sullen 21-year-old without a job, that's moved back home, is cleaning out the refrigerator and is draining cash without contributing much to the family. In my single year as a member of the Committee on Appropriations, I have seen how many exceptionally worthy efforts are denied funds. I cannot, in good conscience, condone further spending for things like the RPA Program and NFMA plan revisions.

I hope the administration takes the message here seriously, but constructively. That is the fashion in which is being sent. And, obviously I hope that they will review the proposal that we shared with them last week, and provide us their ideas on the statutory changes that should be made.

With that, I would like to highlight a few of the changes that we made in response to reviewers that have provided us their comments since last December.

First and foremost, as I indicated, I am introducing two bills today. We have separated title VI of the December draft and made it a separate bill dealing with increased opportunities for the State—and now others—to take on a larger role in Federal land management. I will treat this idea separately as we move through the hearing process. I'm doing this because a number of middle-of-the-road groups and thoughtful individuals suggested that it is impossible to focus on Federal land law reform if we are simultaneously, that is, in the same piece of legislation, looking at alternatives to Federal land management. Considering alternatives to Federal management of nationally owned lands is an intellectual ''bridge too far'' for many. It became an impediment to their participation and, I hope, ultimately their support for Federal land management reform.

I can accept this, even though it does suggest a certain timidity of spirit. I will note that the most timid of spirit, by far, were those interest groups, which self-identified by their rhetoric, that vigorously opposed all discussion of this concept in any form.

At the same time, I remain convinced that we ought to be looking at alternatives to Federal land management in a thoughtful and organized way. That is why I have introduced both bills today. We may take up the bills at somewhat different times as we move forward. But we will eventually pursue them both.

The former Chief of the Forest Service, Jack Ward Thomas, and the General Accounting Office felt that both the BLM and the Forest Service need a much clearer statement of mission. Our December draft focused largely upon improved procedures. The GAO emphasized that any attempt to change resource management procedures would not, by itself, be sufficient to cut through the morass of confusion that currently infects Federal agency management. Therefore, we have included a discrete mission statement for both the BLM and the Forest Service in the new proposal.

Additionally, over the past 9 months we have heard a lot from locally base, consensus groups working of Federal land management problems. I have become convinced that we ought to encourage these efforts. Therefore, this bill provides greater opportunity and encouragement to local consensus groups. Also, we provide a greater opportunity for the Forest Service and BLM to seek out local advice from interested elements of the public. I am optimistic that, if we can forge consensus at the local level, many of the national land management conflicts can be diminished in their intensity.

In response to numerous comments, we have also made some significant changes to part B of title I dealing with administrative appeals and judicial review of Forest Service and BLM decisions. We still codify—for the first time—an administrative appeals process for the Forest Service. The existing appeals process is without statutory basis, and could be eliminated by administrative fiat.

We have, however, removed the provision allowing the executive agencies the opportunity to dismiss and penalize frivolous appeals. In the December draft, we tried to use existing jurisprudential standards for discouraging frivolous legal action. Many reviewers were, however, uncomfortable with the notion of providing this authority to the executive branch agencies under any standard.

We also removed a provision in the December draft which stated that, upon injunction of a land and resource management plan, the previous plan would apply. As with frivolous actions, we will now leave to the judiciary the case-by-case determination of an appropriate course of action after the issuance of a broad-scale injunction.

One of the more contentious issues in the December draft was whether the land managing agencies should assure their own compliance with section 7 of the Endangered Species Act. Many groups were unwilling to trust the Forest Service and the BLM to do this on their own. Here, we were guided by the thoughtful comments of the Wildlife Management Institute. The Institute suggested that, with some review and certification of their program capabilities, the land managing agencies could be so trusted. Therefore, this provision has been modified to allow the land managing agencies to do their own section 7 compliance, but only after their programs have been certified by the Fish and Wildlife Service—in consultation with the National Marine Fisheries Service—as competent to carry out this responsibility.

You may recall that, in title IV of the December draft, we created some new funding streams to increase land management activities. We received a number of comments that allowing resource managers to keep these funds locally could create perverse incentives that would result in more intensive land management—whether or not such management is appropriate in individual circumstances. At the same time, we heard from GAO and others that one of the most crying needs for additional funding is monitoring of plan implementation. The GAO emphasized that this is where the Forest Service and BLM often fall short.

In response to both sets of concerns, we are retaining these new funding streams, but channeling any additional revenues into increased monitoring activity. It is our hope that, with better monitoring, we will get more effective plan implementation, and more projects accomplished on the ground.

During the past few months as we have worked on this proposal, we have also been captivated by a separate discussion underway between the administration and groups who wish to bid on timber sales for the purpose of preserving—rather than harvesting—the trees. To date, the administration has correctly interpreted existing law as not providing the authority to entertain such bidders. Section 14(c) of the National Forest Management Act is specific that the purpose of timber sales is to promote the orderly harvesting of the timber.

At the same time, where the sale is for the sole purpose of disposing of a commodity, we believe that the taxpayers should be afforded the best price—whether it is being offered by someone who wants to harvest, or someone who wants to preserve the trees. Therefore, we have added a provision in title IV of the bill which provides the administration authority which it now lacks, to allow nonharvesting bidders to participate in the auction of commodity timber sales that have no land stewardship function associated with them.

Now let me spend a few moments on the second bill dealing with transfer of management responsibilities for Federal lands. As I indicated, this has been split into a separate bill to accommodate those who could not consider alternatives to Federal management at the same time they were proffering their views about how to make Federal management more effective. With regard to the State transfer bill, it is in many respects similar to title VI of our December draft. We do, however, clarify that nothing in the transfer of management responsibility is designed to infringe on Indian tribal or treaty rights.

Additionally, we have been moved by the views of a number of free market environmentalists and scholars who have argued that there should be an opportunity for nonprofit trusts to assume a larger role in Federal land management. We have added this concept to the transfer bill.

These are a few of the changes that we made. As I indicated, the changes are numerous and substantive. My staff indicated that, at last count, we had made some 80 changes in the December

draft. It's now time to review these changes, and continue a constructive discussion on how this bill can be improved further.

In that regard, I want to thank a number of individuals and groups who have been instrumental in providing us ideas for the improvements that we have already made. First and foremost, I want to thank former Chief, Jack Ward Thomas, for his advice and participation in our workshops. I also would like to thank a group of retired Forest Service Deputy Chiefs and Regional Foresters led by George Leonard for their thoughtful and detailed comments.

I appreciate the assistance provided by a number of professional societies and other middle-of-the-road conservation groups who assisted us by forming committees made up of their members to review the bill and offer us formal comments. These groups include, among others, the Wildlife Management Institute, the Society of American Foresters, the National Association of State Foresters, and the Association of State Land Commissioners. In each case, their participation has been instrumental in guiding us toward some of the changes I have described.

Now I suppose the next question is: where we will head from here? We will try to convene a first hearing before we recess this session of Congress. At this hearing, I hope to hear from those groups that have taken the extra step of forming committees of their members to review the December proposal. I would like to hear from them how responsive they think we have been to their constructive suggestions.

Then, when we reconvene next year I will hold additional hearings to receive testimony from national interest groups, as well as from the administration. I will endeavor to be as inclusive as possible in soliciting testimony from as wide a range of groups as are interested.

I hope that, by early next year, the administration will see its way clear to sit down with us and suggest constructive changes to this proposal. I would welcome the opportunity to work with them to see if there is a list of changes that we can agree are necessary and meaningful to pursue.

With or without the administration's cooperation, I will nevertheless endeavor to produce a third version of this bill to have ready for committee markup sometime next spring.

I urge all groups involved in reviewing this legislation to take the time to: first, read it; second, reflect on it; third, come in and discuss it with us if they wish; and fourth, commit themselves to moving forward to work with us to develop a land management planning process that is equitable, efficient, and sensitive to environmental, economic, and fiscal concerns.

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

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

SECTION-BY-SECTION DESCRIPTION—PUBLIC LANDS MANAGEMENT IMPROVEMENT ACT OF 1997

Sec. 1. Short title: table of contents. This legislation—''Public Lands Management Improvement Act of 1997''—provides new authority and gives greater responsibility and accountability to the Forest Service, Department of Agriculture, and Bureau of Land Management (BLM), Department of the Interior, for planning and management of federal lands under their jurisdiction. The two statutes governing the agencies' land planning and management—National Forest Management Act (NFMA) and Federal Land Policy and Management Act (FLPMA)—are now more than two decades old; this legislation preserves those laws' policies and requirements while it updates those laws to reflect the agencies' subsequent performance and experience.

Sec. 2. Findings. This section contains numerous findings which explain the need for this legislation. The findings—

Note the widespread public support for the twin principles of federal land management—multiple use and sustained yield—imposed on Forest Service lands in NFMA and on BLM lands in FLPMA.

Recognize that NFMA and FLPMA, enacted in 1976, established resource management planning processes as the means to apply these land management principles to the federal lands.

State that, in the 2 decades since the enactment of NFMA and FLPMA, fundamental flaws in the planning processes have been exposed, to the dissatisfaction of all stakeholders.

Find that these flaws threaten the planning and decisionmaking processes and undermine the agencies' ability to fulfill their statutory land management responsibilities and accomplish management that is well grounded in science.

Note that Congress' desire for planning to be completed within discrete time frames and to provide secure management guidance has not been achieved.

Describe how planning has yet to be completed 2 decades after the enactment of NFMA and FLPMA, and how the Forest Service and BLM are now engaged in an apparently perpetual planning cycle that deprives both the agencies and the public of stable and predictable management of federal lands.

State that the two levels of planning contemplated and required by NFMA and FLPMA have been expanded by the agencies and the courts to include various planning exercises on multiple, often conflicting planning levels that in many cases are focused narrowly on only one resource, are conducted without the procedural and public participation safeguards in the planning required by statute, and result in guidance that conflicts with the planning that is conducted in accordance with statutory direction.

Find that the procedures and requirements of NFMA and FLPMA often are not compatible, and even conflict, with procedures and requirements of other, more generally applicable environmental laws. The result is often the de facto transfer of planning and management decisionmaking authority from the land management agencies—the Forest Service and BLM—to other environmental agencies—the Environmental Protection Agency, Fish and Wildlife Service, National Marine Fisheries Service, etc.—that do not possess comparable land management expertise.

Find ''without doubt'' that Congress has failed to reconcile the procedures and requirements of other environmental laws with the planning and management processes established by NFMA and FLPMA.

Describe how, even when the Forest Service and BLM retain planning and management authority, they are often paralyzed by an escalating number of administrative appeals and lawsuits.

Note that existing law does not recognize, nor integrate into planning, important new land management concepts such as ecosystem management and adaptive management which are being imposed or incorporated in federal land planning and management without statutory authority.

State that new processes developed by stakeholders to better participate in federal land planning and decisionmaking, such as the community-based collaborative deliberations of the Quincy Library Group and Applegate Partnership, are not recognized or encouraged by NFMA and FLPMA.

Find that these flaws in planning and plan implementation, including the administrative and judicial challenges, have escalated Forest Service and BLM land management costs and thereby reduced land management capability.

State that these flaws in planning and subsequent inability to secure plan implementation have injured—both environmentally and economically—all stakeholders, but particularly local resource-dependent communities which have no protection nor recourse under NFMA and FLPMA.

Find that NFMA, FLPMA, and their implementing regulations provide much guidance on planning, but virtually none on plan implementation, thereby devaluing the term ''Management'' common to both Act's titles.

Report the finding of the United States General Accounting Office that the statutory flaws and public distrust discussed in these findings have contributed to, and been compounded by, the agencies' lack of a clear mission statement.

And find that additional statutory direction for planning and plan implementation is needed to secure stable and predictable federal land management and to free the Forest Service and BLM to exercise fully their professionalism in making management decisions.

Sec. 3. Definitions. This section defines the terms used in this legislation. For the purpose of this section-by-section description only two terms need definitions. ''Federal lands'' means all federal lands managed by the BLM (excluding Outer Continental Shelf lands) and Forest Service (including national grasslands). The four ''Committees of Congress'' are the authorizing committees with jurisdiction over the Forest Service and BLM: the Committee on Resources and Committee on Agriculture in the House of Representatives and the Committee on Energy and Natural Resources and Committee on Agriculture, Nutrition, and Forestry in the United States Senate.

Sec. 4. Supplemental authority. This section makes clear that this legislation supplements the NFMA, FLPMA, and other applicable law. It also provides that, except for units of the National Wilderness Preservation, National Wild and Scenic Rivers, and National Trails Systems, this legislation will prevail whenever it is in conflict with other applicable law. On the other hand, the laws governing those Systems will prevail whenever this legislation conflicts with them.

Sec. 5. Transition. This section makes clear that existing plans, policies, and other guidance concerning the federal lands that are in effect on the date of enactment of this legislation remain valid until they are revised, amended, changed, or terminated in accordance with this legislation.

TITLE I—ENSURING THE EFFECTIVENESS OF FEDERAL LAND PLANNING AND IMPLEMENTATION

Sec. 101. Purposes. The purposes of Title I are to provide a mission statement for the Forest Service and BLM and provide Congressional direction to those agencies on the preparation and implementation of resource management plans for, and the planning of management activities on, the federal lands. This mission and direction are intended to avoid the environmental, economic, and social injuries caused by the existing flaws and past absence of mission and direction in federal land planning. Most importantly, this mission and direction are expected to achieve stable, predictable, timely, sustainable, and cost-effective management of federal lands.

Part A. In general

Sec. 102. Mission of the land management agencies. This section provides a new mission for the Forest Service and BLM. It is to manage the federal lands to furnish a sustainable flow of multiple goods, services, and amenities while protecting and providing a full range and diversity of natural habitats of native species in a dynamic manner over the landscape.

Sec. 103. Scientific basis for Federal land decisions. To ensure that federal land planning and management is well grounded in science, this section requires the Forest Service and BLM to use in all federal land decisions the best ''scientific and commercial data available.'' This standard for scientific data is adopted from the Endangered Species Act of 1973.

Part B. Resource management and management activity planning

Sec. 104. Levels of planning. To reduce the proliferating number of federal land planning exercises, this section limits the levels of Forest Service and BLM planning to two—multi-use resource management planning for designated planning units and site-specific planning for management activities. The two agencies are given complete discretion to designate planning units of whatever size and number they consider appropriate in which to conduct the resource management planning.

The agencies may also conduct analyses or assessments for geographical areas other than the planning units (including ecoregion assessments as provided in Title III). However, the results of these analyses or assessments can be applied to the federal lands only by amending or revising the applicable resource management plans.

This section establishes a 3-year deadline for amending or revising existing resource management plans to include policies developed in planning conducted outside of the two prescribed planning levels. That noncomplying planning will no longer apply to the federal lands at the end of the 3-year period.

Sec. 105. Contents of planning and allocation of decisions to each planning level. To eliminate redundant planning that is time-consuming and costly, this section assigns specific analyses to the two levels of planning established in section 104 and clarifies that the analyses may not be repeated elsewhere in the planning process. This section requires that resource management plans contain 4 basic elements: (1) statement of management goals and objectives; (2) allocation of land uses to specific areas in the planning unit; (3) determination of outputs of goods and services from the planning unit; and (4) environmental protection policies. The agencies are admonished to tailor the environmental protection policies, to the maximum extent feasible, not to be prescriptive requirements generally applicable to the entire planning unit but rather to provide guidance for determining specific requirements tailored to identified sites during the planning of individual management activities.

Additionally, the resource management plans are required to contain: (1) a statement of historical uses, and trends in conditions of, the resources covered by the plans; (2) a schedule and procedure for monitoring plan implementation, management of the covered federal lands, and trends in the covered resources' uses and conditions as required by section 115, and (3) criteria for determining when circumstances on the covered federal lands warrant adaptive management of the resources as required by section 115.

This section requires the agencies to assign by a notice-and-comment rulemaking specific analyses and decisions to each of the two planning levels. The agencies may not conduct or reconsider those analyses or decisions in the planning level to which they are not assigned. This section also makes a number of analyses and decision assignments. In addition to the 4 basic elements discussed previously in this section, assigned to resource management planning are resource inventories, cumulative effects analyses, discussion of relationship to State and local plans, identification of federal lands which might be exchanged or otherwise disposed of, and decisions on wilderness, unsuitability of lands for certain uses (*e.g.*, coal mining as required by section 522 of the Surface Mining Control and Reclamation Act and timber harvesting as required by section 6 of the National Forest Management Act), and visual objectives. Assigned to management activity planning are analyses of site-specific resources and environmental effects, and decisions concerning the design of, and requirements for, the activity, including decisions related to water quality, method for harvesting forest products, revenue benefits and a schedule and procedures for monitoring the effects of the activity.

Sec. 106. Planning deadlines. To break the cycle of perpetual planning, this section would set deadlines for conducting the two-level planning. These deadlines are: (1) for resource management planning—30 months for plan preparation, 12 months for amendments defined as significant by regulations, 9 months for amendments defined as non-significant by regulations, and 24 months for revisions; and (2) for management activity planning—9 months for planning significant activities and 6 months for planning non-significant activities.

Sec. 107. Plan amendments and revisions. This section ensures that the 4 basic elements of the resources management plans are accorded equal dignity and that one element is not arbitrarily sacrificed or ignored to achieve another. It prohibits the Forest Service and BLM from applying a policy to, or making a decision on, resource management plan or a management activity which is inconsistent with one of the basic elements. Instead, this section requires that the resource management plan must be awarded to alter or reconcile conflicting basic elements. This decision to amend would be made whenever the inconsistency is discovered, usually during either the planning for a specific management activity or the monitoring of plan implementation required by section 115. The agencies are given the authority to waive an inconsistency without amending the resource management plan on a one-time basis for a single specific management activity if the inconsistency does not violate a nondiscretionary statutory requirement and the determination is made that the waiver is in the public interest.

This section also requires that any change in federal land management that is imposed by new law, regulation, or court order or that is warranted by new information must be effected by amending or revising the appropriate resource management plans. Further, unless the agency determines that the law or court order requires otherwise and publishes that determination, the change in management does not become effective until the amendment or revision is adopted.

This section directs, that when resource management plans are revised, all provisions of those plans are to be considered and analyzed in the environmental analysis (environmental impact statement (EIS) or environmental assessment (EA)) and decision documents. This ensures that the agency does not consider only those portions of the plans that are particularly important to the most vociferous advocates for a particular land use or management policy or are of particular interest to the officials involved in the planning exercise.

Finally, this section clarifies that, while a resource management plan is being amended or revised, management activities are to continue and not be stayed in anticipation of changes that might be made by the amendment or revision. Exceptions to this stay prohibition include whenever a stay is required by this Act, court order, or a formal declaration by the Secretary (without delegating the authority). However, the agencies can stay particular activities for purposes that are unrelated to the purpose or the likely effect of the amendment or revision. To ensure that *de facto* stays do not occur, this section provides that, except as described above, a plan amendment or revision may not become effective until final decisions on management activities that are scheduled to be made during the plan amendment or revision process have been made.

To avoid tunnel-visioned decisionmaking that focuses on one issue to the exclusion of all others, this section directs the agencies to consider in the environmental analysis documents on any amendment or revision of a resource management plan what effect the amendment or revision may have on the 4 basic elements required for each plan by section 105. The decision document on the amendment or revision must include a discussion of the reasons why the effect is necessary and what steps were taken in the planning process and decisionmaking, or will be taken thereafter, to ameliorate any adverse economic or social consequences which will or could result from the effect.

Sec. 108. Disclosure of funding constraints on planning and management. To ensure that planning decisions are not based on overly optimistic funding expectations and are not rendered irrelevant by enactment of differing appropriations, this section requires that the EIS or EA on each resource management plan, or plan amendment or revision, contain a determination on how the 4 basic elements (goals and objectives, land use allocations, outputs of goods and services, and environmental protection policies) will be implemented within a range of funding levels (with at least one level which provides less funds annually, and one level which provides more funds annually, then the level of funding for the fiscal year in which the EIS or EA is prepared).

Sec. 109. Consideration of Federal lands-dependent communities. This section requires that, in preparing, amending, or revising each resource management plan, the Forest Service and BLM must consider if, and explain whether, the plan will maintain to the maximum extent feasible the stability of any community that has become dependent on the resources of the federal lands to which the plan applies.

The procedure for meeting this mandate is to include in the EIS or EA on the plan,

amendment, or revision a discussion of: the impact of each plan alternative on the revenues and budget, public services, wages, and social conditions of each federal lands-dependent community; how the alternatives would relate to historic community expectations; and how the impacts were considered in the final plan decision.

This section defines a federal lands-dependent community as one which is located in proximity to federal lands and is significantly affected socially, economically, or environmentally by the allocation of uses of one or more of the lands' resources. The Secretaries are to consult with the Secretaries of Commerce and Labor in establishing by rulemaking criteria for identifying these communities.

Sec. 110. Participation of local, multi-interest committees. To encourage local solutions to federal land management issues developed by neighboring citizens of diverse interests, this section provides for the establishment of two types of local, matter-interest committees. The first is the ''independent committee of local interests'' established without the direction, intervention, or funding of the agencies and including at least one representative of a non-commodity interest and one representative of a commodity interest. Prototypes for this type of committee are the Quincy Library Group and Applegate Partnership. This section encourages these independent committees to prepare planning recommendations for the federal lands by imposing the requirement on the agencies that they include those recommendations as alternatives in the EISs or EAs which accompany the preparation, amendment, or revision of resource management plans. If more than two independent committees are established and submit planning alternatives for the same federal lands, the Forest Service or BLM will include the alternatives of the two committees it determines to be most broadly representative of the interests to be affected by the plan, amendment, or revision, and will attempt to consolidate for analysis or otherwise discuss the other committees' alternatives. Finally, the section authorizes the Forest Service and BLM to provide to any independent committee whose planning alternative is adopted sufficient funds to monitor the alternative's implementation. These independent committees would be exempt from the Federal Advisory Committee Act.

Second, the agencies are empowered to establish local committees corresponding to the federal land's planning units. The membership of these committees must be broadly representative of interests affected by planning for the planning units for which they were formed. The agencies must seek the advice of the committees prior to adopting, amending, or revising the relevant resource management plans and provide the committees with funding to monitor plan implementation.

Sec. 111. Ecosystem management principles. This section ensures that the relatively new ecosystem management concept is incorporated into planning in a fashion which does not supersede other statutory mandates. It requires that the Forest Service and BLM consider and discuss ecosystem management principles in the EISs or EAs for resource management plans, amendments, and revisions. It also states that these principles are to be applied consistent with, and may not be used as authority for not complying with, the other requirements of this legislation, FLPMA, NFMA, and other environmental laws applicable to resource management planning.

Sec. 112. Fully allocated costs analysis. To ensure that the costs of all uses are revealed, this section directs the Forest Service and BLM to disclose in the EISs and EAs on resource management plans, amendments, and revisions the fully allocated cost including foregone revenues, expressed as a user fee or cost-per-beneficiary, of each non-commodity output from the federal lands to which the plans apply.

Sec. 113. Citizen petitions for plan amendments or revisions. Section 116 establishes deadlines for challenging resource management plans, amendments, and revisions. This section provides a procedure for citizens who believe a plan has become inadequate after the deadlines have passed to seek change in the plan and, if unsuccessful in obtaining change, to challenge the plan. This section authorizes any person to challenge a plan after the deadline solely on the basis of new information, law, or regulation. The mechanism for challenge is a petition for plan amendment or revision. The Forest Service or BLM must accept or deny the petition within 90 days of receiving it. If the agency fails to respond to or denies the petition, the petitioner may file suit immediately against the plan. If the agency accepts the petition, the process of amending or revising the plan begins immediately. The agency's decision to accept or deny the petition is subject to the consultation requirement of the Endangered Species Act, but not subject to the environmental analysis requirements of the National Environmental Policy Act.

Sec. 114. Budget and cost disclosures. To better relate the agencies' planning process with Congress' appropriations process, this section requires that the President's budget request to Congress include an appendix that discloses the amount of funds that would be required to achieve 100% of the annual outputs of goods and services in, and otherwise implement fully, each Forest Service and BLM resource management plan.

In the face of escalating planning costs, particularly those associated with ecoregion assessments, this section also requires the agencies to submit to Congress each year an accounting of the total costs and cost per function of procedure for each plan, amendment, revision or assessment published in the preceding year.

Sec. 115. Monitoring and maintenance of planning. This section contains several procedures intended to ensure that the resource management plans are implemented. First, each agency is required to include in each decision on a management activity a statement that the decision contributes to, or at a minimum does not preclude, achievement of the 4 basic elements (goals, land allocations, outputs, and environmental protection policies) of the applicable resource management plan.

Second, this section requires use of funds from the Monitoring Funds established by section 502 to monitor the implementation of each resource management plan at least biennially. The monitoring is to ensure that no goal, land allocation, output, or policy of the plan is constructively changed through a pattern of incompatible management activities or of failures to undertake compatible management activities. Whenever the agency finds such change has occurred, it must take corrective management actions to restore compliance with the plan, or amend or revise the plan to accommodate the change. The monitoring also is to determine whether circumstances or the federal lands have changed and warrant adaptive management. If so, the agencies are required to undertake the adaptive management—immeidately if no elements would be changed thereby or after amending or revising the plan if any element would be changed.

Part C. Challenges to planning

The purposes of this part are to ensure that challenges—both administrative and judicial—of resource management plans and management activities are brought more timely and by those who truly participate in the agencies' processes. It does not eliminate challenges or insulate agency decisions from challenges.

Sec. 116. Administrative appeals. This section directs the Forest Service and BLM to promulgate rules to govern administrative appeals of decisions to approve resource management plans, amendments, and revisions, and of decision to approve, disapprove, or otherwise take final action on management activities. While allowing the agencies considerable discretion in rulemaking, this section does provide that the rules must: (1) require that, in order to bring an appeal, the appellant must have commented in writing during the agency process on the issues or issues to be appealed; (2) provide that administrative appeals of plans may not challenge analyses or decisions assigned to management activities under section 105 and administrative appeals of management activities may not challenge analyses or decisions assigned to plans under section 105; (3) provide deadlines for bringing the administrative appeals (not more than 120 days after a plan or revision decision, 90 days after an amendment decision, and 45 days after a management activity decision); (4) provide deadlines for agency decisions on the appeals (not more than 180 days for appeal of a plan or revision, 120 days for appeal of a plan amendment, 90 days for appeal of a management activity, with possible 15 days extension for each) and bar additional levels of administrative appeal; (5) provide that in the event of failure to render a decision by the applicable deadline, the decision on which the appeal is based is to be deemed a final agency action which allows the appellant to file suit immediately; (6) require the agency to consider and balance environmental and/or economic injury in deciding whether to issue a stay pending appeal (or petition); (7) provide that no stay may extend more than 30 days beyond a final decision on an appeal of a plan, amendment, or revision or on a petition or 15 days beyond a final decision on a appeal of a management activity; and (8) establish categories of management activities excluded from administrative appeals (but not lawsuits) because of emergency, time-sensitive, or exigent circumstances. This section is more comphrensive than the section of the Fiscal Year 1993 Interior Appropriations Act which concerned appeals only of management activities (not management plans, amendments, and revisions) of the Forest Service (not BLM). As this section supplants that more limited provision, it repeals that provision when the new Forest Service appeals rules required by this section become effective.

Sec. 117. Judicial review. This section establishes venue and standing requirements in, sets deadlines for, and otherwise governs lawsuits over resource management plans, amendments, revisions, and petitions and management activities.

The venue for plan-related litigation is the U.S. Circuit Court of Appeals for the circuit in which the lands (or the largest portion of the lands) to which the plan applies are located. The venue for litigation over a management activity, or petition for plan amendment or revision is the U.S. District Court in the district where the lands (or the largest portion of the lands) on which the activity would occur or to which the plan applies are located.

This section also clarifies that standing and intervention of right is to be granted to the fullest extent permitted by the Constitution. This means those who are economically injured cannot be barred by the non-constitutional, prudential ''zone of interest''

test developed by the judiciary. This section also limits standing to those who make a legitimate effort to resolve their concerns during the agency's decisionmaking process and do not engage in ''litigation by ambush'' by withholding their concerns until after the agency decision is made. Specifically, this section requires that the plaintiff must have participated in the agency's decisionmaking process and submitted a written statement on the issue or issues to be litigated, and must have exhausted opportunities for administrative review.

Deadlines for bringing suit are 90 days after the final decision on the administrative appeal of a resource management plan, amendment, or revision, and 30 days after a final decision on the administrative appeal of a management activity or final disposition of a petition for plan amendment or revision. If the challenge involves a statute (*e.g.*, Endangered Species Act or Clean Water Act) which requires a period of notice before filing a citizen suit, the notice must be filed by the applicable deadline and suit must be filed 7 days after the end of that notice period.

This section bars suits brought on the basis of new information, law, or regulation until after a petition for plan amendment or revision is filed and a decision is made on it.

This section also clarifies that suits concerning resource management plans and management activities are to be decided on the administrative record.

TITLE II—COORDINATION AND COMPLIANCE WITH OTHER ENVIRONMENTAL LAWS

Sec. 201. Purposes. The purposes of this title are to eliminate primarily procedural conflicts among, and coordinate, the various land management and environmental laws without reducing—indeed enhancing—environmental protection.

Sec. 202. Environmental analysis. This section describes how compliance with the National Environmental Policy Act (NEPA) will occur in resource management planning and planning for management activities. It requires that an EIS be prepared whenever a resource management plan is developed or revised. (Plan amendments may have either an EIS or EA depending on their significance.) This section also provides that, for management activities, an EA ordinarily is prepared. The EA for the management activity is to be tiered to the EIS for the applicable resource management plan. The agency may prepare a full EIS on a management activity if it determines the nature or scope of the activity's environmental impacts in substantially different from, or greater than, the nature or scope of impacts analyzed in the EIS on the applicable resource management plan.

Sec. 203. Wildlife protection. This section addresses the relationship of the Endangered Species Act (ESA) to federal land planning and management. First, it provides a certification procedure by which the Forest Service and BLM can become certified by the U.S. Fish and Wildlife Service to conduct the consultation responsibilities normally assigned to the Fish and Wildlife Service and National Marine Fisheries Services by section 7 of the ESA. If they are certified, the two land management agencies will have the authority to prepare the biological opinions under the ESA just as they now prepare EISs under NEPA.

Second, this section addresses situations in which the resource management plan may have to undergo consultation because of a new designation of an endangered or threatened species or of a species' critical habitat, or new information about an already designated species or habitat. This section requires that a decision be reached as to whether consultation is required on the plan within 90 days of the new designation, and that any amendment to or revision of the plan be completed within 12 or 18 months, respectively, after the new designation. It also allows individual management activities to continue under the plan while it is being amended or revised, if those activities either separately undergo consultation concerning the newly designated species or habitat or are determined not to require consultation.

Sec. 204. Water quality protection. This section addresses the relationship of the Clean Water Act (CWA) to federal land planning and management. It provides that any management activity that constitutes a nonpoint source of water pollution is to be considered in compliance with applicable CWA provisions if the State in which the activity will occur certifies that it meets best management practices or that functional equivalent. The agency, however, may choose not to seek State certification and satisfy the separate applicable CWA requirements.

Sec. 205. Air quality protection. This section addresses the relationship of the Clean Air Act (CAA) to federal land planning and management. It provides that, when a Forest Service forest supervisor or BLM district manager finds that a prescribed fire will reduce the likelihood of greater emissions from a wildfire, and will be conducted in a manner that minimizes impact on air quality to the extent practicable, the prescribed fire is deemed to be in compliance with applicable CAA provisions.

Sec. 206. Meetings with users of the Federal lands. This section addresses the relationship of the Federal Advisory Committee Act (FACA) to federal land planning and management. It clarifies that the agencies may meet without violating FACA with one or more: holders of, or applicants for, federal permits, leases, contracts or other authorizations for use of the federal lands; other persons who conduct activities on the federal lands; and persons who own or manage lands adjacent to the federal lands.

TITLE III—DEVELOPMENT OF ECOREGION ASSESSMENTS

Sec. 301. Purpose. The purpose of this title is to authorize the new practice of preparing ecoregion assessments, and to prescribe how those assessments will be integrated into federal land planning and management.

Sec. 302. Authorization and notice of assessments. This section authorizes the Forest Service and BLM to prepare ecosystem assessments, which may include non-federal lands if the Governors of the affected States agree. It requires the agency to give the four Committees of Congress 90 days advance notice before initiating an ecoregion assessment. The notice must include: (1) a description of the land involved; (2) the agency officials responsible; (3) the estimated costs of and the deadlines for the assessment; (4) the charter for the assessment; (5) the public, State, local government and tribal participation procedures; (6) a thorough explanation of how the ecoregion was identified and the attributes which establish the ecoregion; and (7) detailed reasons for the decision to prepare the assessment.

Sec. 303. Status, effect and application of assessment. This section provides that the assessments must not contain any decisions concerning resource management planning or management activities. It then provides a procedure for applying information or analysis contained in ecoregion assessments to such planning and activities. It directs the relevant agency to make a decision within 6 months of completion of an ecoregion assessment whether any information or analyses in the assessment warrants amendments to, or revisions of, a resource management plan for the federal lands to which the assessment applies. If the decision is made for an amendment or revision, no management activity on federal lands may be delayed or altered on the basis of the assessment while the amendment or revision is prepared. Finally, no federal official may use an assessment as an independent basis to regulate non-federal lands.

Sec. 304. Applicability of other laws. As the ecoregion assessments are nondecisional, this section provides that they will not be subject to the consultation requirements of the Endangered Species Act or the environmental requirements of the National Environmental Policy Act.

Sec. 305. Report to Congress. This section directs the agencies to report biennially to the four Committees of Congress on ecosystem assessments, their implications for federal land management, and any resource management plan amendments or revisions based on assessments. The report also must include the agencies' views of the benefits and detriments of, and recommendations for improving, ecosystem assessments.

Sec. 306. Pacific Northwest forest plan review. This section provides for an independent review of the basis for, and implementation of, President Clinton's Pacific Northwest Forest Plan. It authorizes the appropriation of $5 million for the Consortium of Regional Forest Assessment Centers, through the University of Washington, to conduct the reviews over a 6-month period. The review must include: (1) assessments of the scientific information, assumptions, and modeling both used and not used in the preparation of the Plan; (2) an evaluation of whether the Plan will achieve both its resource protection and resource production purposes, goals, and objectives; (3) a review of the operational and cost effectiveness of the Plan and any alternative approaches; and (4) any recommendations for administrative or legislative changes in the Plan. The Consortium's review is to be submitted to the four Committees of Congress, without submission (of it or any Consortium testimony) to any federal officer or agency for prior approval, comments, or review.

TITLE IV—DEVELOPMENT OF A GLOBAL RENEWABLE RESOURCES ASSESSMENT

Sec. 401. Purposes. The purpose of this title is to replace the Renewable Resource Assessment and Renewable Resource Program administered by the Forest Service under the Forest and Rangeland Renewable Resources Planning Act of 1974 with a Global Renewable Resources Assessment administered by an independent National Council on Renewable Resources Policy.

Sec. 402. Global renewable resources assessment. This section emphasizes the vital importance of renewable resources to national and international social, economic, and environmental well-being, and of the need for a long-term perspective in the use and conservation of renewable resources. To achieve that perspective, this section directs that a Global Renewable Resources Assessment be prepared every 5 years. The Assessment must include: (1) an analysis of national and international renewable resources supply and demand; (2) an inventory of national and international renewable resources, including opportunities to improve their yield of goods and services; (3) an analysis of environmental constraints and their effects on renewable resource production in the U.S. and elsewhere; (4) an analysis of the extent to which the renewable resources management programs of other countries ensure sustainable use and production of such resources; (5) a description of national and international research programs on renewable resources; (6) a discussion of policies, laws, etc. that are

expected to affect significantly the use and ownership of public and private renewable resource lands; and (7) recommendations for administrative or legislative initiatives.

Sec. 403. National Council on Renewable Resources Policy. This section establishes the National Council on Renewable Resources Policy. Its functions are the preparation and submission to Congress of the Global Renewable Resources Assessment and the periodic submission to the Forest Service, BLM, and four Committees of Congress of recommendations for administrative and legislation changes or initiatives.

The Council has 15 members, 5 each appointed by the President, President pro tempore of the Senate, and Speaker of the House. The Chair is to be selected from the members. This section has typical provisions for filling vacancies, appointment of an Executive Director, compensation of the members and the Executive Director, appointment of personnel, authority to contract with federal agencies, and rulemaking and other powers of the Council.

This section strives to ensure the independence of the Council in two ways. First, it requires that the Council submit its budget request concurrently to both the President and the Appropriations Committees of Congress. Second, it requires concurrent submission of the Assessment, analyses, recommendations, and testimony to Executive Branch officials or agencies and the four Committees of Congress. Finally, it prohibits, and requirees the reporting of, any attempt by a federal official or agency to require prior submission of the Assessment, analyses, recommendations, or testimony for approval, comments, or review.

Sec. 404. Repeal of certain provisions of the Forest and Rangeland Renewable Resources Planning Act. This section repeals those provisions of the Forest and Rangeland Renewable Resources Planning Act that direct the Forest Service to prepare a Renewable Resource Assessment and Renewable Resource Program.

TITLE V—ADMINISTRATION

Part A. In general

Sec. 501. Confirmation of the Chief of the Forest Service. This section provides for Senate confirmation of appointments to the office of Chief of the Forest Service, thereby establishing the same appointment procedures as those applicable to the Director of the BLM. This section also sets certain minimum qualifications for the appointee: (1) a degree in a scientific or engineering discipline that is revelant to federal land management; (2) 5 years or more experience in decisionmaking concerning management, or research concerning the management, of federal lands or other public lands; and (3) 5 years or more experience in administering an office or program with a number of employees equal to, or greater than, the average number of employees in national forest supervisors' offices.

Sec. 502. Monitoring funds. To encourage effective management of the federal lands and provide a supplemental funding source for important monitoring activities, this section establishes a Public Lands Monitoring Fund for BLM lands and Forest Lands Monitoring Fund for Forest Service lands. The Funds would receive all monies collected from federal lands in any fiscal year that are in excess of federal land revenues projected in the President's baseline budget (minus the State's and local government's share as required by law). The monies in the Funds may be used, without appropriations, to conduct the monitoring required by section 115 or to fund the monitoring of the local, multi-interest committees under section 110.

Sec. 503. Interagency transfer and interchange authority. This section authorizes the BLM and Forest Service to transfer between them adjacent lands not exceeding 5,000 acres or exchange adjacent lands not exceeding 10,000 acres per transaction. These transactions are: (1) to occur without transfer of funds; (2) to be effective 30 days or more after publication of Federal Register notice; (3) not to affect any legislative designation for the lands involved; and (4) subject to valid existing rights.

Sec. 504. Fees for processing records requests. To discourage inordinately broad ''fishing expedition'' requests under the Freedom of Information Act that severely tax agency funding and personnel, this section prohibits the waiver or reduction of fees under that Act for any records request to the Forest Service or BLM that will cost in excess of $1000 for a single request or for multiple requests of any one party within a 6-month period.

Sec. 505. Off-Budget study. This section tasks the U.S. General Accounting Office with the responsibility to conduct a study for Congress of the feasibility of making the Forest Service and BLM self-supporting by taking the agencies off-budget (no appropriated funds) and returning to them all revenues generated on federal lands (with mineral revenues from national forest lands allocated to the Forest Service), except revenues which by other laws are paid to States and local governments.

Part B. Non-Federal lands

This part seeks to increase the timeliness and cost efficiency of Forest Service and BLM decisionmaking which directly affects private lands.

Sec. 506. Access to adjacent or intermingled non-Federal lands. This section establishes procedures for processing applications for access to nonfederal land across federal land as guaranteed by section 1323 of the Alaska National Interests Lands Conservation Act (ANILCA). First, this section requires that the application processing be completed within 180 days and, if it is not, the access be deemed approved. It sets a 15-day deadline for notifying the applicant whether the application is complete. This section makes clear that the analyses conducted under the National Environmental Policy Act and Endangered Species Act are to consider the effects of the construction, maintenance and use of the access across the federal lands and not the use of the nonfederal lands to be accessed. Finally, it clarifies that any restrictions imposed on the access grant pursuant to section 1323 of ANILCA may limit or condition the construction, maintenance, or use of the access across the federal lands, but not the use of the nonfederal lands to be accessed.

Sec. 507. Exchanges of Federal lands for non-Federal lands. This section establishes procedures for exchanges under, and amends, section 206(b) of the Federal Land Policy and Management Act of 1976. As any management activity on any federal lands or interests in lands newly acquired under an exchange will be required to undergo full National Environmental Policy Act and Endangered Species Act review, this section provides that on the exchange itself an EA satisfies the environmental analysis requirements of section 102(2) NEPA and any consultation required under ESA will be completed within 45 days instead of the 90-day period provided by section 7 of ESA. Further, this section provides that any exchange mandated by Congress requires no NEPA documentation. This section also explicitly states that no management activity may be undertaken on the newly acquired federal lands or interests in land until NEPA and ESA are fully complied with and, if necessary, the applicable resource management plan is amended or revised. This section requires that processing of the exchange must be completed within one year of the date of submission of the exchange application. Further, the nonfederal land or interests in land in the exchange are to be appraised without restrictions imposed by federal or State law to protect an environmental value or resource if protection of that value or resource is the very reason why the land is being acquired by the federal government.

This section also allows the Forest Service and BLM to offer for competitive bid the exchange of federal lands or interests in land that meets certain conditions. It also authorizes the agencies to identify early or ''prequalify'' federal lands or interests in land for exchange. Further, when an exchange involves school trust lands, the agency is excused from conducting a cultural assessment under section 106 of the National Historic Preservation Act if it enters into an agreement with the State that ensures State protection after the exchange of archeological resources or sites to the maximum extent practicable. Further, this section authorizes the Forest Service to exchange federally owned subsurface resources within the National Forest System or acquired under the Bankhead-Jones Farm Tenant Act of 1937.

This section establishes special funds with a cap of $12,000,000 for the agencies to use, subject to appropriations, for processing land exchanges (including making cash equalization payments where required to equalize values of exchange properties). Finally, the maximum value of lands in an exchange which may be undertaken on the basis of approximately equal value (rather than strictly equal value) is raised from $150,000 to $500,000.

Part C. The forest resource

This part contains 3 sections concerning sales of forest products on federal lands, expediting and linking such sales to forest health management activities.

Sec. 508. Forest health credits in sales of forest products. This section provides the Forest Service and BLM with an optional approach to undertaking forest health management activities that would be impractical for the agencies to accomplish under existing procedures or within existing programs. Modelled on the provision for road construction credits for purchasers of forest products sales in the National Forest Roads and Trails Act (16 U.S.C. 535(2)), this approach permits the agencies to include new provisions in the standard contract provisions for any salvage sale of forest products or any sale of forest products constituting a forest health enhancement project under section 509. These new provisions would obligate the purchaser to undertake certain forest health management activities which could logically be performed as part of the sale. In return, the purchaser receives ''forest health credits'' to offset the cost of performing the activities against the purchaser's payment for the forest products. These forest health management activities are subject to the same contractual requirements as all other harvesting activities. Sale contracts with these forest health credits provisions are to have terms of no more than 3 years.

Before forest health credits provisions can be included in a contract of sale of forest products, the agency concerned has to identify and select the specific forest health management activities. Forest health activities would be eligible for forest health credits if the agency concerned finds that: (1) they would address the effects of the operation of the sale or past sales, or involve vegetation management within the sale area;

and (2) they could be accomplished most effectively when performed as part of the sale contract, and would not likely be performed otherwise. Forest health management activities are defined to include thinning, salvage, stand improvement, reforestation, prescribed burning or other fuels management, insect or disease control, riparian or other habitat improvement, or other activity which has any of 5 purposes: improve forest health; safeguard human life, property, and communities; protect other forest resources threatened by adverse forest health conditions; restore the integrity of ecosystems, watersheds, and habitats damaged by adverse forest health conditions; or protect federal investments in forest resources and future federal, State, and local revenues.

Once the determination is made to add forest health management activities requirements to a sale of forest products, the specific activities are identified, and their costs are appraised, the required activities and the forest health credits assigned to those activities are identified in the sale's advertisement and prospectus. (After the sale, the agency, with the concurrence of a sale purchaser, can alter the scope of the forest health management activities or amount of credits when warranted by changed conditions.) This section provides that sales with forest health credits need not return more revenues than they cost and are not to be considered in determining the revenue effects of individual forest, Forest Service region, or national forest products sales programs.

Appropriated funds can be used to offset the costs of forest health management activities prescribed in a forest products sale contract (typically when the total cost of such activities would otherwise exceed the value of the offered forest products materials or likely dampen competitive interest in the sale), but only if those funds are derived from the resource function or functions which would directly benefit from the performance of the activities and are appropriated in the fiscal year in which the sale is offered. The amount of any appropriated funds to be paid for forest health management activities under a sale contract also must be announced in the sale's advertisement and prospectus.

In order to provide for a smooth introduction of sale contracts with forest health credits provisions, the agencies are urged to employ, wherever feasible, the already developed and tested Forest Service procedures and requirements for sales of forest products providing purchaser credits for road construction under the National Forest Roads and Trails Act. However, unlike those road construction credits, the forest health credits issued under this section could not become ineffective. All forest health credits earned by the purchaser are redeemable. Earned forest health credits can be transferred to any other sale of forest products held by the purchaser which is located in the same region of the Forest Service or same jurisdiction of the BLM State office, as the case may be. The credits are considered ''earned'' when the purchaser satisfactorily performs the forest health management activity to which the credits are assigned in the sale advertisement. If the purchaser normally would be required to pay for all the forest products materials prior to completion of a forest health management activity or activities assigned forest health credits, the purchaser could elect to defer a portion of the final payment for the harvested materials equal to the forest health credits assigned to the activity.

This section sunsets in 5 years, but previously awarded contracts for sale of forest products with forest health credits provisions remain in effect under the terms of this section after that time. To assist the Congress in determining whether this section should be reenacted, the Forest Service and BLM are required to monitor the performance of sales contracts with forest health credits and submit a joint report to Congress assessing the contracts' effectiveness and whether continued use of such contracts is advised.

Sec. 509. Special funds. This section gives permanent status to funds for salvage sales of forest products of the Forest Service and BLM and expands their purposes to allow use of the fund monies for a full array of forest health enhancement projects.

Sec. 510. Private contractors. To ensure that processing of sales of forest products is accomplished in a timely manner in an era of severe budget and personnel constraints, this section encourages that the agencies, to the maximum extent possible, use private contractors to prepare the sales. To ensure the integrity of sale decisionmaking, this section also requires the agencies to review the contract's work before making any decisions on the sales and bars the contractors from commenting on or participating in the sales' decisions.

Sec. 511. Non-harvested forest product sales. This section eliminates statutory barriers to those who wish to bid on sales of forest products with the intention of preserving the trees in place instead of harvesting them. For those opposed to particular sales, this provides another avenue besides litigation to challenge them.

Any sales of forest products may be purchased by parties who elect not to harvest the trees (''election sales'') except sales involving forest health credits under section 508, sales funded under the Special Funds established by section 509, and sales which have as their primary purpose ''vegetative management of lands management other than the disposal of forest products,'' as defend by regulation. In other words, when sales are offered in situations where removal of trees is necessary for environmental protection reasons, the purchaser must not have the option to leave the trees in place; but, in situations where the sales are offered principally for commodity purposes, that option should be available.

The length of term of an election sale will correspond to the expected silvicultural rotation in a sale designed to generate even-aged stands or the period prior to the next schedule entry for a sale designed to develop and maintain uneven-aged stands. Upon payment of the prorata share of the purchase price, with interest, the Forest Service or BLM can terminate an election sale contract during the contract term if the trees subject to the sale are substantially damaged by fire, windthrow, disease, insect infestation, or other natural event and the determination is made that harvesting is necessary to avoid damage to adjacent areas.

The sale notice must notify prospective bidders if the sale qualifies as an election sale and any bidder who intends to elect non-harvesting must notify the Forest Service or BLM with the bid submission. To ensure that all bids in an election sale that has specifications for road construction or reconstruction are equivalent for purposes of determining the winning bidder, the Forest Service or BLM must deduct from any bid which contains a non-harvesting notice the estimated cost of such construction or reconstruction.

Sec. 512. Exemption from strict liability for recovery of fire suppression costs. Section 504 of FLPMA directed the Secretary of the Interior to promulgate regulations governing liability of users of rights-of-way granted under that Act. The subsequent regulations imposed liability without fault for, among other things, the recovery of fire suppression costs of up to $1 million (43 C.F.R. §2803.1–5). This section would amend section 504 to relieve non-profit entities, particularly entities that use the rights-of-way for electrical transmission to parties who own equity interests in the entities, from strict liability for such costs. This provision does not relieve these entities from liability for fire suppression costs when they are at fault.

TITLE VI—MISCELLANEOUS

Sec. 601. Regulations. This section requires the Forest Service and BLM to promulgate rules to implement this legislation within a year and a half of its enactment.

Sec. 602. Authorization of appropriations. This section authorizes appropriations to implement this legislation for 10 fiscal years after enactment. It also sunsets at the same time all other statutory authorizations for appropriations to the Forest Service and BLM for management of the federal lands.

Sec. 603. Effective date. This section provides that this legislation will take effect upon its enactment and admonishes that no decision or action authorized by this legislation is to be delayed pending rulemaking.

Sec. 604. Savings clauses. This section ensures that nothing in this legislation conflicts with the law pertaining to the BLM's O&C lands in Oregon. Further, this section bars construing any provision of this legislation as terminating any valid lease, permit, right-of-way, or other right or authorization of use of the federal lands, including any Native American treaty right, existing upon enactment. Finally, this section provides that all actions under this legislation are subject to valid existing rights.

Sec. 605. Severability. This final section contains the standard severability clause.

SECTION-BY-SECTION DESCRIPTION—FEDERAL LANDS MANAGEMENT ADJUSTMENT ACT

Sec. 1. Short title. The short title of this bill is ''Federal Lands Management Adjustment Act.''

Sec. 2. Purposes. The bill has two purposes. The first is to encourage the development of alternative management programs for federal lands administered by the Bureau of Land Management (BLM) and Forest Service that are more innovative, less costly, and more reflective of neighboring communities' and publics' concerns and needs than the agencies' current programs. The second purpose is to provide a procedure that would grant authority to the States and nonprofit organizations to implement those alternative management programs on certain of those federal lands.

Sec. 3. Definitions. This section defines the terms used in this legislation. For example, ''Committees of Congress'' means the Committee on Energy and Natural Resources and Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Resources and Committee on Agriculture of the House of Representatives.

Most important are the definitions of ''federal lands'' and ''eligible federal lands'' for which temporary management authority may be granted under procedures established by this legislation. ''Federal lands'' are defined as lands managed by the BLM (other than Outer Continental Shelf lands) and lands in the National Forest System (including national grasslands) managed by the Forest Service. All ''federal lands'' are eligible for temporary management by nonprofit organizations under applicable federal laws. Only ''eligible federal lands'' are eligible for temporary management by the States under State law. ''Eligible federal lands'' are defined to include federal lands within the National Wilderness Preservation System, National Wild and Scenic Rivers System, and National Trails System, but only if they are

managed in accordance with the federal laws establishing those systems. To prevent fragmented management or ''cherry picking'' of only the most economically remunerative of federal lands by the States, this definition excludes from ''eligible federal lands'' any area that constitutes less than all the federal lands within a BLM district or national forest and any BLM district or national forest which generates the most revenues in a State (unless the State has less than 2 BLM districts or 2 national forests, or chooses to assume jurisdiction over all BLM-managed federal lands or all Forest Service-managed federal lands in the State).

Sec. 4. Transfer of management authority to States. This section authorizes the transfer of temporary management authority for eligible federal lands under the conditions, and in accordance with the procedures, established in this legislation.

Sec. 5. State application. This section provides the procedure by which the States may initiate the process of transferring temporary management authority over eligible federal lands. The governor of a State (or, if another State entity has authority under State law to acquire and convey State land, then that agency, after consultation with the governor) may submit an application to manage all or certain eligible federal lands within the State to the four Committees of Congress, to the Secretary of the Interior (for BLM lands) and/or Secretary of Agriculture (for Forest Service lands), and to any affected Indian tribes. Each State is limited to one application every 2 years because, once the State has submitted an application, it is prohibited from submitting another application during the 2-year application review period established by section 6. After the review period is completed, however, the State can submit another application regardless of whether the first application was approved or denied by Congress in accordance with section 6. The application must describe the eligible federal lands for which management authority is sought, provide a summary and the text of State laws under which the lands would be managed, and describe the personnel and funding available for managing the lands (including procedures to identify and employ Forest Service or BLM personnel who are knowledgeable about the specific lands and may seek employment if the management authority is transferred).

Sec. 6. Procedures for granting State management authority. This section provides the procedures to be performed by the federal government to grant State management authority over eligible federal lands. First, within 10 days of receiving a State application, the Secretary or Secretaries must publish notice of availability of the application in the Federal Register. Second, within 90 days of receiving the application, the Secretary or Secretaries must submit to the four Committees of Congress and any affected Indian tribe an advisory report on the application which assesses the adequacy of the State law to manage the lands, the qualifications of the State personnel assigned to manage the lands, the adequacy of the State funding for managing the lands, and any effect State management may have on Indian tribes. The report must also provide any recommendations which the Secretary or Secretaries have concerning the application. Any affected Indian tribe is invited to submit its own advisory report on the application within 60 days after the submission of the Secretarial advisory report.

This section also makes it clear that no State can assume temporary management authority over eligible federal lands without an act of Congress. It further states that, if Congress does not enact a law authorizing a State to assume management authority over eligible federal lands identified in a State application within 2 years from the date of receipt of the application by the four Committees of Congress, the application is deemed denied.

Sec. 7. State management of Federal lands. This section provides the minimum general condition for State management. (Of course, the individual acts authorizing State assumption of management authority may contain further conditions.)

This section declares that the eligible federal lands are to be managed by the State subject to valid existing rights in accordance with applicable State law, the federal law authorizing transfer of management authority, and other federal law applicable to State (not federal) lands. The exception is lands within the National Wilderness Preservation System, National Wild and Scenic Rivers System, and National Trails System; those lands must be managed in accordance with the federal laws which established those Systems. The State assumes all rights and responsibilities of the United States under and for federal grazing permits, mineral leases, contracts for sale of forest products, and other authorizations for use of the affected federal lands in existence on the date the management authority is transferred. Those use authorizations will continue under their provisions and applicable federal law until the end of their terms (except the revenues will be paid to the States). At the end of the term of the use authorization it will not be extended or renewed; instead, the holder will be given right-of-first-refusal for the issuance of an authorization for the same use under State law.

Valid existing mining claims, however, remain under federal authority until the mining claims are patented, abandoned, declared invalid, or, at the election of the claimants, converted to State leases or other disposition under State law. The BLM and Forest Service must consult with the States on federal minerals management decisions concerning valid mining claims, and the States have authority to manage the surface estate and dispose of rights and collect any revenues from other minerals and rights.

The State would collect the revenues and fees that were previously imposed by federal law from those federal permits, licenses, etc., which remain in effect after State assumption of management authority over eligible federal lands. Otherwise, the State is free to impose its own revenue and fee collection requirements for those lands under State law. The State also may determine how the revenues and fees are to be used and distributed in accordance with State law.

Other federal land law that continues to apply to the eligible federal lands under State management is the access provisions of section 1323, and the Alaska subsistence use provisions of Title VIII, of the Alaska National Interests Lands Conservation Act. Federal land law that ceases to apply is the Payment In Lieu of Taxes Act and any other law that provides payments to State or local governments to offset declining revenues from federal lands.

Sec. 8. Authorization for transition appropriations. To facilitate the transfer of management authority, this section provides that amounts may be appropriated to a State which has assumed management authority in the first, second, and third fiscal years of State management equal to 75%, 50%, and 25%, respectively, of the appropriated funds expended in managing the lands in the last fiscal year of federal management. These funds must be reimbursed by the State to the federal Treasury within 7 years after the State receives them.

Sec. 9. Transition. This section provides for the transfer of federal records, federal personal property, and unexpended balances of federal appropriations and other funds to the State upon enactment of a management authority transfer law. It also authorizes the detailing to the State of federal personnel for a year or less.

Sec. 10. Term of the State management. This section defines the temporary nature of any transfer of management authority for eligible federal lands to the States. It limits the term of transfer to 10 years, unless provided otherwise in the specific management authority transfer law. A State may seek management authority for additional 10-year terms by filing new applications which would be processed in accordance with section 5. The State also may apply for ownership of eligible federal lands after the initial 10-year management period. The application for either continued State management or State ownership of the eligible federal lands must include a detailed report on the State's management performance on those lands during the terminating 10-year period. Congress would have to enact a law for ownership to pass, and this legislation provides no guidance for that process.

Sec. 11. Return to Federal management. This section provides guidance and procedures for the transfer of management authority for federal lands back to the federal government whenever a State chooses not to apply for, or Congress fails to grant, continued management authority. The guidance and procedures for reassumption of federal management authority are the mirror-image of the guidance and procedures provided in sections 7 and 9 for the transfer of management authority to the States.

Sec. 12. Transfer of management authority to nonprofits. This section provides authority to transfer temporary management authority over federal lands to nonprofit organizations. The conditions and procedures for transfer to nonprofits are similar to those established in prior sections for transfer to States, but with three significant differences: First, all federal lands (not ''eligible federal lands'' as in the case of the States) are eligible for nonprofit management, with three limitations (not less than all federal lands in any BLM district or national forest, and not more than three BLM districts or three national forests in the same general area). Second, the applicable law remains federal law (not State law as in the case of transfer to the States). The nonprofit, however, need not comply with federal agency regulations or policies if it otherwise complies with the applicable federal laws. Furthermore, in its application for management authority transfer, the nonprofit may identify any provisions of federal law which it desires an exemption or exception. And, if Congress grants the exemption or exception in the legislation authorizing transfer, the nonprofit need not adhere to those particular provisions. Third, no opportunity to assume ownership of federal lands is offered to nonprofits.

To qualify as a nonprofit organization which may submit a management authority transfer application, the organization must be a corporation or other entity that is organized under the laws of the State in which all or a majority of the relevant federal lands is located, has as its express purpose the managing those lands, and is described in section 501(c)(3) of the Internal Revenue Code.

The application for transfer must describe the federal lands for which management authority is sought, document the nonprofit's eligibility to submit an application and qualifications to manage those federal lands, identify the federal law exemptions or exceptions sought by the nonprofit, describe the relationship the nonprofit intends to have

with BLM and Forest Service personnel then managing those federal lands, and identify any personnel changes the nonprofit expects to make in the first year it has management authority. In addition to the entities to which the State application must be sent, the nonprofit's application must also be submitted to any affected local government.

As in the case of the States, Secretarial advisory reports and Congressional enactment of legislation are required before transfer of management authority occurs. If the legislation is not enacted within two years of the submission of the application, the application is deemed denied.

This section provides for payment to each nonprofit in the first 3 years it manages the federal lands of 75%, 50%, and 25% of the funds that were appropriated for management of those lands by the federal agency in the last fiscal year prior to transfer. Although section 8 provides for identical payments to States which have assumed management authority, the State payments are authorized while the nonprofit payments are required.

The nonprofit receives all revenues and fees from the federal lands over which it has management authority. The nonprofit will make all employment and compensation decisions, subject to applicable federal law, concerning BLM or Forest Service personnel who manage those lands. Personnel from either agency on the date of transfer or newly employed from either agency after the date of transfer will remain federal employees. Additional personnel employed from outside either agency after the date of transfer will be employees of the nonprofit.

The provisions for length of management term, renewal for another term, and return to federal management are substantively the same as for the States.

Sec. 13. Venues. This section sets the venues for litigation related to transfer of federal land management authority under this legislation. Any litigation concerning any action, other than actions concerning valid mining claims, on eligible federal lands for which a State has assumed management authority must be brought in the appropriate State court. Any litigation concerning the validity or Constitutionality of this legislation must be brought in the U.S. District Court for the District of Columbia and any litigation concerning any law transferring management authority to either a State or a nonprofit organization enacted pursuant to section 6 or section 12 must be brought in the U.S. District Court for the district in which all or a majority of the lands to which the law applies is situated. This litigation must be brought within 60 days of the date of enactment of this legislation or the management authority transfer law, or be barred.

Sec. 14. Effect on other laws. This section makes it clear that State or nonprofit assumption of management authority over federal lands will not trigger changes in federal policies, resource management plans, etc. applicable to other federal lands in the State or region.

ADDITIONAL COSPONSORS

S. 623

At the request Mr. INOUYE, the names of the Senator from Washington [Mr. GORTON] and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of S. 623, a bill to amend title 38, United States Code, to deem certain service in the organized military forces of the Government of the Commonwealth of the Philippines and the Philippine Scouts to have been active service for purposes of benefits under programs administered by the Secretary of Veterans Affairs.

S. 834.

At the request Mr. HARKIN, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 834, a bill to amend the Public Health Service Act to ensure adequate research and education regarding the drug DES.

S. 836.

At the request Mr. ABRAHAM, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 836, a bill to offer small businesses certain protections from litigation excesses.

S. 852.

At the request Mr. LOTT, the names of the Senator from Hawaii [Mr. AKAKA] and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 852, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

S. 953.

At the request Mr. SHELBY, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 953, a bill to require certain Federal agencies to protect the right of private property owners, and for other purposes.

S. 980

At the request Mr. DURBIN, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of S. 980, a bill to require the Secretary of the Army to close the U.S. Army School of the Americas.

S. 1096

At the request Mr. KERREY, the names of the Senator from Nevada [Mr. REID] and the Senator from Georgia [Mr. COVERDELL] were added as cosponsors of S. 1096, a bill to restructure the Internal Revenue Service, and for other purposes.

S. 1115

At the request Mr. LOTT, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1115, a bill to amend title 49, United States Code, to improve one-call notification process, and for other purposes.

S. 1173

At the request Mr. WARNER, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 1173, a bill to authorize funds for construction of highways, for highway safety programs, and for mass transit programs, and for other purposes.

S. 1195

At the request Mr. CHAFEE, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 1195, a bill to promote the adoption of children in foster care, and for other purposes.

S. 1204

At the request Mr. COVERDELL, the names of the Senator from Kentucky [Mr. FORD], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Minnesota [Mr. GRAMS], the Senator from North Carolina [Mr. HELMS], and the Senator from Utah [Mr. BENNETT] were added as cosponsors of S. 1204, a bill to simplify and expedite access to the Federal courts for injured parties whose rights and privileges, secured by the U.S. Constitution, have been deprived by final actions of Federal agencies, or other government officials or entities acting under color of State law; to prevent Federal courts from abstaining from exercising Federal jurisdiction in actions where no State law claim is alleged; to permit certification of unsettled State law questions that are essential to resolving Federal claims arising under the Constitution; and to clarify when government action is sufficiently final to ripen certain Federal claims arising under the Constitution.

S. 1225

At the request Mr. HUTCHINSON, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 1225, a bill to terminate the Internal Revenue Code of 1986.

S. 1244

At the request Mr. GRASSLEY, the name of the Senator from Minnesota [Mr. GRAMS] was added as a cosponsor of S. 1244, a bill to amend title 11, United States Code, to protect certain charitable contributions, and for other purposes.

SENATE RESOLUTION 119

At the request Mr. FEINGOLD, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of Senate Resolution 119, a resolution to express the sense of the Senate that the Secretary of Agriculture should establish a temporary emergency minimum milk price that is equitable to all producers nationwide and that provides price relief to economically distressed milk producers.

NOTICE OF HEARINGS

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. JEFFORDS. Mr. President, I would like to announce for information of the Senate and the public that a hearing of the Senate Committee on Labor and Human Resources will be held on Tuesday, October 7, 1997, 9:45 a.m., in SD–430 of the Senate Dirksen Building. The subject of the hearing is the nomination of Charles Jeffress to be an Assistant Secretary of Labor (OSHA). For further information, please call the committee, 202–224–5375.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. JEFFORDS. Mr. President, I would like to announce for information of the Senate and the public that a hearing of the Senate Committee on Labor and Human Resources will be held on Wednesday, October 8, 1997, 10 a.m., in SD–106 of the Senate Dirksen Building. The subject of the hearing is the nomination of David Satcher to be Surgeon General and Assistant Secretary of HHS. For further information, please call the committee, 202–224–5375.