Amount	Date	Donee
500	10–20–94	Bill Hefner
500	10–12–94	George Brown
500	10–12–94	Elaine Peterson
500	9–30–94	Martin Frost
500	9–27–94	Tom Foley
500	9–27–94	Steny Hoyer
500	9–27–94	Mark Tokano
500	9–26–94	Jimmy Hayes
500	9–12–94	Neal Smith
500	8–4–94	John Bryant
500	8–4–94	Gary Condit
500	8–4–94	Peter DeFazio
500	8–4–94	Norm Dicks
500	8–4–94	Chet Edwards
500	8–4–94	Harold Ford
500	8–4–94	Bart Gordon
500	8–4–94	Bill Hefner
500	8–4–94	Jim McDermott
500	8–4–94	Alan Mollohan
500	8–4–94	Jim Moran
500	8–4–94	Dave Obey
500	8–4–94	Lewis Payne
500	8–4–94	David Price
500	8–4–94	Louis Stokes
500	8–4–94	James Traficant
500	8–4–94	Charles Wilson
500	8–4–94	Bob Wise
500	8–3–94	Gerry Kleczka
500	7–28–94	Howard Berman
500	7–28–94	David Bonior
500	7–28–94	Cardiss Collins
500	7–28–94	Vic Fazio
500	7–28–94	Dan Glickman
500	7–28–94	William Lipinski
500	7–28–94	Nita Lowey
500	7–28–94	Michael McNulty
500	7–28–94	Kweisi Mfume
500	7–28–94	George Miller
500	7–28–94	Norm Mineta
500	7–28–94	Sonny Montgomery
500	7–28–94	Don Payne
500	7–28–94	Pete Peterson
500	7–28–94	Charles Schumer
500	7–28–94	Richard Swett
500	7–28–94	Gene Taylor
500	7–28–94	Walter Tucker
500	7–28–94	Bruce Vento
500	7–20–94	Lloyd Doggett
500	7–20–94	Sheila Jackson Lee
500	7–20–94	Zoe Lofgren
500	7–20–94	Charles Rangel
500	7–12–94	Chaka Fattah
500	6–29–94	Eliot Engel
500	6–29–94	Martin Lancaster
500	6–29–94	Sander Levin
500	6–29–94	Tom Sawyer
500	6–29–94	Louise Slaughter
500	6–28–94	Gary Ackerman
500	6–28–94	Sam Gejdenson
500	6–28–94	Peter Hoagland
500	6–28–94	Jill Long
500	6–28–94	Frank McCloskey
500	6–28–94	Frank Pallone
500	6–28–94	David Skaggs
500	6–28–94	Pat Williams
500	6–27–94	Patrick Kennedy
250	6–23–94	Ben Chavez
500	6–23–94	John Conyers
500	6–17–94	Bill Sarpalius
500	6–15–94	Larry Larocco
500	6–13–94	George Darden
500	6–13–94	Eric Fingerhut
500	6–13–94	Sam Gibbons
500	6–13–94	George Hochbrueckner
500	6–13–94	Richard Lehman
500	6–13–94	Collin Peterson
500	6–13–94	Jolene Unsoeld
500	6–13–94	Harold Volkmer
500	6–1–94	Bennie Thompson
500	5–24–94	Peter Barca
500	5–24–94	Sherrod Brown
500	5–24–94	Maria Cantwell
500	5–24–94	Pat Danner
500	5–24–94	Elizabeth Furse
500	5–24–94	Maurice Hinchey
500	5–24–94	Tim Holden
500	5–24–94	Jay Inslee
500	5–24–94	Herb Klein
500	5–24–94	Ron Klink
500	5–24–94	Mike Kreidler
500	5–24–94	Carolyn Maloney
500	5–24–94	M. Margolies-Mezvinsky
500	5–24–94	Paul McHale
500	5–24–94	David Minge
500	5–24–94	Earl Pomeroy
500	5–24–94	Karen Shepherd
500	5–24–94	Ted Strickland
500	5–23–94	James Barcia
500	5–23–94	Nathan Deal
500	5–23–94	Karan English
500	5–23–94	Anna Eshoo
500	5–23–94	Sam Farr
500	5–23–94	Cleo Fields
500	5–23–94	Bob Filner
500	5–23–94	Dan Hamburg
500	5–23–94	Jane Harman
500	5–23–94	Don Johnson
500	5–23–94	Lynn Schenk
500	5–23–94	Bart Stupak
500	5–23–94	Karen Thurman
500	5–20–94	Dale Kildee
500	5–19–94	Thomas Barlow
500	5–4–94	David Mann
500	5–4–94	Dan Webber

Contributions, amount, date, donee:

2. Spouse: none.

3. Children and spouses names: none.

4. Parents names: William B. Richardson, deceased; Maria Luisa Zubiran, none.

5. Grandparents names: William Richardson and Vesta Richardson, Jorge Lopez Collada and Maria Marquez de Lopez Collada, all deceased.

6. Brothers and spouses names: none.

7. Sisters and spouses names: Vesta Richardson, none.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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 Mr. BRYAN (for himself and Mr. REID):

S. 296. A bill to amend the Nuclear Waste Policy Act of 1982 to allow commercial nuclear utilities that have contracts with the Secretary of Energy under section 302 of that act to receive credits to offset the cost of storing spent fuel that the Secretary is unable to accept for storage on and after January 31, 1998; to the Committee on Energy and Natural Resources.

S. 297. A bill to establish a Presidential commission on nuclear waste, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. D'AMATO (for himself, Mr. GRAMS, Mr. GRAMM, and Mr. BENNETT):

S. 298. A bill to enhance competition in the financial services sector, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. LAUTENBERG (for himself, Mr. DEWINE, Mr. LEVIN, Mr. INOUYE, Mr. COVERDELL, and Mr. ABRAHAM):

S. 299. A bill to require the Secretary of the Treasury to mint coins in commemoration of the sesquicentennial of the birth of Thomas Alva Edison, to redesign the half dollar circulating coin for 1997 to commemorate Thomas Edison, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. FEINGOLD (for himself and Mr. KOHL):

S. 300. A bill to prohibit the use of certain assistance provided under the Housing and Community Development Act of 1974 to encourage plant closings and the resultant relocation of employment, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MCCAIN:

S. 301. A bill to authorize the Secretary of the Interior to set aside up to $2 per person from park entrance fees or assess up to $2 per person visiting the Grand Canyon or other national park to secure bonds for capital improvements to the park, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CHAFEE (for himself, Mr. ROCKEFELLER, Mr. FRIST, Mr. JEFFORDS, and Ms. COLLINS):

S. 302. A bill to amend title XVIII of the Social Security Act to provide additional consumer protections for medicare supplemental insurance; to the Committee on Finance.

By Mr. ABRAHAM (for himself and Mr. LEVIN):

S. 303. A bill to waive temporarily the Medicare enrollment composition rules for The Wellness Plan; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SPECTER (for himself, Mr. SANTORUM, Mr. FEINGOLD, Mr. KOHL, Mr. JEFFORDS, and Mr. LEAHY):

S. Res. 52. A resolution expressing the Sense of the Senate regarding the need to address immediately the current milk crisis.

By Mrs. HUTCHISON (for herself, Mr. GRAMM, and Mr. D'AMATO):

S. Res. 53. A resolution to express the sense of the Senate concerning actions that the President of the United States should take to resolve the dispute between the Allied Pilots Association and American Airlines; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. D'AMATO (for himself, Mr. GRAMS, Mr. GRAMM and Mr. BENNETT):

S. 298. A bill to enhance competition in the financial services sector, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE DEPOSITORY INSTITUTION AFFILIATION ACT OF 1997

Mr. D'AMATO. Mr. President, today with the cosponsorship of my colleagues, Senators GRAMM, GRAMS, and BENNETT, I am introducing the ''Depository Institutions Affiliation Act of 1997,'' to modernize the laws governing the financial services industry in a comprehensive, progressive fashion. I am pleased that Representative RICHARD BAKER, chairman of the Housing Banking Subcommittee on Capital Markets, Securities and Government Sponsored Enterprises, will introduce similar legislation, joined by Representatives MCCOLLUM, LA FALCE, and DREIER. This legislation will promote efficiency and fair competition between all financial service providers and make U.S. financial firms stronger in global competition.

Mr. President, Congress has been struggling to modernize the financial system since before I became a member of the Banking Committee in 1981. That effort must continue and should conclude successfully in this Congress. Our existing legal framework is fundamentally outdated. The Glass-Steagall and Bank Holding Company Acts impose regulatory structures that are inadequate for today's global marketplace and the financial needs of consumers.

Mr. President, our Nation's entire financial system —including traditional banks, insurance companies, and securities firms—faces a future that is somewhat unsettled. Competitive developments in the marketplace and the

technological revolution that is well underway have brought about significant changes in the financial system, domestic and international. And these changes have already had a significant influence on all financial services providers and their customers.

Mr. President, there is widespread recognition that the United States must adopt a regulatory regime that recognizes market realities and assesses and controls risk. Our present patchwork of financial laws protects particular industries, restrains competition, prevents diversification that would limit risks, restricts potential sources of capital, and undermines the efficient delivery of financial services and the competitive position of our financial institutions in world markets.

Mr. President, Congress' reform effort in the 105th Congress must be forward-looking, not merely a reengineering of the legacy and laws from the New Deal. Our reform effort must not be limited in its design by unfounded fears and outdated philosophies. The far-reaching changes we are witnessing require a top-to-bottom examination of long-standing conventions about the way our financial system should be structured and regulated as we approach the 21st century. Already, banks and competitors from outside the conventional banking system are jockeying for position and advantage as competition heats up for control of market share and customers in a world of electronic commerce.

Existing institutions that fight for legislative restrictions to protect their markets are fighting the last war. Debate over financial modernization that focuses primarily on issues like the future of the banking franchise or gerrymandering markets through piecemeal legislation to protect a particular market segment is too narrow from a public policy standpoint. Such a narrow approach addresses questions and solves problems that existed in the 1970's and 1980's; however, the year 2000 is quickly approaching and the policy debate in Congress and among industry leaders should be oriented toward the future. Technology and new financial competitors from outside the traditional arena will now provide an important and new catalyst for meaningful change and long overdue comprehensive financial modernization.

Mr. President, in its consideration of financial modernization, the new Congress will need to explore a number of new and important issues, including:

Given all the technological changes and new players in the market, what does it mean to be a bank? Does it make sense to maintain an artificial distinction between banks and nonbanks? Does it make sense to preserve the fiction that banking and commerce are somehow separate? Does it make sense to prohibit information-driven firms from owning or affiliating with banks now that financial services are in large part information processing activities?

How will the old system of deposit insurance fit into this environment? Should more complex institutions be required to give up deposit insurance, as was suggested by one of the Federal Reserve Bank presidents?

How do we ensure that technology results in greater choice, lower fees and fair, readily available access by consumers? The experience we are having with ATM's raises questions about whether consumers will share in the benefits of technology or whether the benefits will go primarily to the owners of that technology.

How can we protect individual privacy now that computers make it so easy to collect and disseminate personal information? This is such a sensitive concern that the Congress directed the Federal Reserve to conduct a study.

I do not know the answers, but these are provocative questions which require careful study and debate.

Others are studying these issues as well.

Last year, Congress directed the Treasury Department to conduct a study of all issues relating to a common charter for all federally insured depository institutions as part of the law stabilizing and eventually merging the two Federal deposit insurance funds (BIF and SAIF) (P.L. 104–208). The Treasury Department is expected to submit that study next month.

The Treasury Department appointed a consumer electronic payments task force which will include the principal Federal agencies involved in the payments system.

In addition, the Treasury Department is completing a study on the strengths and weaknesses of our financial services system in meeting the needs of the system's users.

Most recently, Federal Reserve Chairman Greenspan announced formation of a committee that will look at the Fed's role in the payments system of the future.

Mr. President, I introduce the Depository Institution Affiliation Act as a prelude to a vigorous debate about the future of our financial system. Let me explain how the Depository Institution Affiliation Act [DIAA] will make the financial system safer, more stable, and more competitive. I will submit a more detailed section-by-section explanation of the bill at the end of my remarks. The bill is virtually identical to legislation that I have previously sponsored or cosponsored in 1987 (S. 1905) and in 1989 (S. 530). In the previous Congress, it was S. 337. With the exception of technical and conforming changes to reflect the enactment of banking laws since its original introduction, the text of the bill is unchanged.

Mr. President, comprehensive financial modernization as proposed in this reform legislation would produce many beneficial changes for all financial intermediaries.

First, the legislation will enable all financial intermediaries—commercial banks, investment banks, thrifts, and so forth—to attract financial capital and managerial expertise by eliminating existing restrictions on ownership by and affiliations among depository and nondepository firms. However, the DIAA preserves all the safety-and-soundness and conflict-of-interest protections of the present system, while providing legal flexibility for a company to meet the financial needs of consumers, businesses, and others.

Mr. President, some detractors of DIAA describe it as too radical because it permits these affiliations. However, this type of common ownership is already allowed by our laws and has existed for decades without any evidence of problems. Federal law and public policy expressly allows commercial companies to own and affiliate with a variety of federally insured banks—for example, credit card banks, limited purpose banks, trust companies, and so forth—and savings and loans. For example, unitary thrift holding companies have proven that finance and commerce can be mixed safely. In fact, the lack of ownership restrictions on thrifts has worked to expand the capital and managerial talent available to thrifts. And the successful record of unitary holding companies demonstrates that broader ownership affiliations can actually strengthen depository institutions through greater diversification and financial strength. Moreover, the reality is that nonbank organizations, including telecommunications, cable companies, and software firms are designing and delivering banklike financial services and products over the Internet and World Wide Web without owning a bank.

Second, this bill will facilitate diversification and assure fair competition by creating a new charter alternative for all companies interested in entering or diversifying in the financial services field—a financial services holding company—FSHC. These FSHC's will be authorized to engage in any financial activity through separately regulated affiliates of the holding company. The bill would permit the merging of banking and commerce under carefully regulated circumstances by allowing a FSHC to own both a depository institution and companies engaged in both financial and nonfinancial activities.

Third, this legislation will insulate insured subsidiaries—for example, banks—from the more risky business activities of its affiliates, as well as the parent holding company. It would not authorize or allow these activities to be conducted in a bank's operating subsidiary.

Mr. President, by authorizing this alternative regulatory framework, the legislation would essentially exempt a FSHC's subsidiaries and affiliates from those sections of the Glass-Steagall and Bank Holding Company Acts that restrict mixing commercial banking with other financial—securities, investment banking, and so forth—and

nonfinancial activities—retailing, technology, manufacturing. A FSHC would be able to diversify into any activity through affiliates of the holding company, with such affiliates subject to enhanced regulation.

Fourth, this bill will enhance substantially the quality and effectiveness of regulation through functional regulation. The regulation of the bank and nonbank affiliates of financial services holding companies would be along functional lines. The insured bank affiliate would be regulated by Federal and State bank regulators, the securities affiliate by the Securities and Exchange Commission, and so on. Thus, for each affiliate, existing regulatory expertise and resources will be applied to protect consumers, investors, and taxpayers. Functional regulation will also assure that competition in discrete products and services is fair by eliminating advantages attributable to current loopholes, regulatory gaps, and cost subsidies.

Finally, the bill would improve coordination and supervision of the overall financial system by permitting more effective analysis and monitoring of aggregate stability and vulnerability to severe disruptions and breakdown.

By removing unnecessary barriers to competition between providers of financial service in the United States, this legislation will permit U.S. capital markets to maintain their preeminence, and will allow U.S. financial intermediaries to respond to growing competition from foreign companies.

Mr. President, I want to underscore that the DIAA would not require existing firms to alter their regulatory structure. By permitting financial services providers to become FSHC's, such providers will have the option to phase gradually into, or expand within, the financial services industry.

Mr. President, the DIAA provides a solid platform and a sound approach to modernizing our financial structure. I recognize that this bill can be improved, and I am specifically requesting constructive and helpful comments to improve and to refine the major principles underlying the bill. As the committee proceeds to hearings and further consideration of the bill, I intend to make changes and adjustments in order to ensure competitive fairness, promote safety and soundness; achieve depositor, investor, and consumer protection; and assure effective and efficient functional regulation. Modernization of the financial services industry should not include the preemption of State consumer protection laws.

Mr. President, in the absence of congressional action, the Comptroller of the Currency and the Federal Reserve Board have acted to achieve limited modernization with results often of questionable legal authority and public policy results. Specifically, I am concerned about the OCC's action to permit a bank's operating subsidiaries to engage in activities that are not permissible for the bank. I believe this regulation is unwise. And I am deeply concerned that the Comptrollers action may subject federally insured banks to excessive risks and expose the bank insurance funds, and therefore taxpayers, to unnecessary liability. Congress can never forget the lessons of the savings and loan crisis in the late 1980's. In addition, the Fed's recent actions to increase the aggregate level of business a section 20 securities affiliate may engage in and its proposal to reduce or even eliminate important firewalls and safeguards that have existed for over a decade are also imprudent.

Mr. President, the rivalry between regulators to attempt unilaterally to set public policy and alter the competitive balance for their constituencies is not wholesome or helpful. The regulators actions will never be a substitute for comprehensive and balanced congressional action. For far too long, Congress has ceded the field to piecemeal deregulation by bank regulators and the courts. The time has come for Congress to decide on a legal and policy framework that prepares our financial institutions for the new century and the challenges of a rapidly changing global economy. The 105th Congress must address and resolve the important questions relating to the health and future of the banking industry in the broader context of a financial system that is increasingly composed of nonbank financial service providers. We must focus on the needs of our economy for credit and growth in the future and the next century. We must focus on financial stability, safety and soundness, fair competition, and functional regulation of all financial service providers—whether they are banks, investment banks, insurance companies, finance companies or even telecommunications or computer companies.

Mr. President, the benchmark provisions, principles, and purposes of DIAA, as stated above, have been tested and explored over the years. During a decade of debate several studies, including a 1991 study by the Treasury Department entitled, ''Modernizing the Financial System: Recommendations for Safer More Competitive Banks'', these principles and the framework of the bill have become the centerpiece of an emerging consensus in favor of forward-looking, balanced and prudent approach to modernization. I am hopeful that a new study underway by the Treasury Department and due to be submitted to Congress in March related to a common bank and thrift charter will reach similar conclusions.

Mr. President, by continuing to work together, as demonstrated by the BIF/SAIF bill last year, the Congress and the administration can overcome the complaints of vested interests and reform our antiquated financial services laws. We should not miss this opportunity for constructive bipartisanship. I believe that this bill provides a good starting point for the 105th Congress to act on financial modernization. Passage of this bill will be a high priority for the Banking Committee. I believe this is a realistic objective.

Mr. President, I ask unanimous consent that a more detailed section-by-section summary of the bill be reprinted in the RECORD.

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

DEPOSITORY INSTITUTION AFFILIATION ACT—SECTION-BY-SECTION ANALYSIS

Section 1: Short title

Section 1 provides that this Act be cited as the ''Depository Institution Affiliation Act''.

Section 2: Findings and purpose

The purpose of this Act is to promote the safety and soundness of the nation's financial system, to increase the availability of financial products and services to consumers, businesses, charitable institutions and government in an efficient and cost effective manner. In addition, this Act aims to promote a legal structure governing providers of financial services that permits open and fair competition and affords all financial services companies equal opportunity to serve the full range of credit and financial needs in the marketplace. This Act also aims to ensure that domestic financial institutions and companies are able to compete effectively in international financial markets. Finally, this Act aims to regulate financial activities and companies along functional lines without regard to ownership, control, or affiliation.

TITLE I—CREATION AND CONTROL OF DEPOSITORY INSTITUTION HOLDING COMPANIES

Section 101

This section creates a new type of financial company, a depository institution holding company (DIHC), and sets out the terms and conditions under which such a company can be established and must be operated.

Subsection (a) Definitions. This subsection defines terms used in this section.

Paragraph (a)(1) defines a DIHC to be any company that files a notice with the National Financial Services Committee (see Title II of this Act) that it intends to comply with the provisions of this section, and controls an insured depository institution, or, either (i) has, within the preceding 12 months filed a notice under subsection (b) of this section to establish or acquire control of a federally insured depository institution or a company owning such a federal insured depository institution, or (ii) controls a company which, within the preceding 12 months, has filed an application for federal deposit insurance, provided that such notice or application has not been disapproved by the appropriate Federal banking agency or withdrawn. Any holding company which elects to become a DIHC and which does not control any banks that are not FDIC insured, will lose its status as a bank holding company immediately upon filing the notice of its election to become a DIHC. Similarly, a savings and loan holding company that elects to become a DIHC will lose that status upon filing the notice of its election to become a DIHC. To assure that each bank controlled by a DIHC would be subject to regulation and supervision by an appropriate federal banking agency, owners of uninsured banks would not be able to avail themselves of the opportunity to become a DIHC, unless they agreed to convert such uninsured banks into federally insured depository institutions.

Paragraph (a)(2) gives the term 'bank holding company' the meaning given to it in Section 2(a) of the Bank Holding Company Act of 1956, as amended.

Paragraph (a)(3) gives the term 'savings and loan holding company' the meaning given to it in section 10(a) of the Home Owners' Loan Act.

Paragraph (a)(4) defines for this section, except paragraph (5) of subsection (f), the term 'affiliate' of a company as any company which controls, is controlled by, or is under common control with such a company.

Paragraph (a)(5) gives the term 'appropriate Federal banking agency' (AFBA) the meaning given to it in section 3 of the Federal Deposit Insurance Act.

Paragraph (a)(6) gives the term 'insured depository institution' the meaning given to it in section 3(c)(2) of the Federal Deposit Insurance Act.

Paragraph (a)(7) gives the term 'State' the meaning given to it in section 3(a) of the Federal Deposit Insurance Act.

Paragraph (a)(8) defines the term 'company' to mean any corporation, partnership, business trust, association or similar organization. However, corporations that are majority owned by the Untied States or any State are excluded from the definition of company.

Paragraph (a)(9) defines control by one company over another. For purposes of this section, the term ''control'' means the power, directly or indirectly, to direct the management or policies of a company, or to vote 25% or more of any class of voting securities of a company.

There are three exceptions from the definition of control. These pertain to ownership of voting securities acquired or held:

1. as agent, trustee or in some other fiduciary capacity;

2. as underwriter for such a period of time as will permit the sale of these securities on a reasonable basis; or in connection with or incidental to market making, dealing, trading, brokerage or other securities-related activities, provided that such shares are not acquired with a view toward acquiring, exercising or transferring control of the management or policies of the company;

3. for the purpose of securing or collection of a prior debt until two years after the date of the acquisition; and

In addition, no company formed for the sole purpose of proxy solicitation shall be deemed to be in control of another company by virtue of its acquisition of the voting rights of the other company's securities.

Paragraph (a)(10) defines the term 'adequately capitalized' with respect to an insured depository institution has the meaning given to it in section 38(b)(1) of the Federal Deposit Insurance Act.

Paragraph (a)(11) defines the term 'well capitalized' with respect to an insured depository institution has the meaning given to it in section 38(b)(1)(A) of the Federal Deposit Insurance Act.

Paragraph (a)(12) defines the term 'minimum required capital' with respect to an insured depository institution as the amount of capital that is required to be adequately capitalized.

Subsection (b): Changes in Control of Insured Depository Institutions. This subsection provides that any DIHC wishing to acquire control of an insured depository institution or company owning such insured depository institution must comply with the requirements of the Change in Bank Control Act. Failure to comply with these requirements will subject the relevant DIHC to the penalties and procedures provided in subsections (i) through (m) of this section, in addition to otherwise applicable penalties.

Subsection (c): Affiliate Transactions. This subsection authorizes supplemental regulation of the transactions of insured depository institutions controlled by DIHCs with their affiliates. These regulations would be in addition to the restrictions on interaffiliate transactions provided for under sections 23A or 23B of the Federal Reserve Act. This subsection gives each AFBA some flexibility to promulgate and adapt rules and regulations in response to changing market conditions so that the AFBA has at all times the capability to prevent insured depository institutions under its supervision that are controlled by DIHCs from engaging in transactions that would compromise the safety and soundness of such insured depository institutions or that would jeopardize the deposit insurance funds.

Moreover, other provisions of this Act assure that the AFBA will have the capability to enforce these regulations vigorously (subsection (i) of this section) and that any violations of these regulations will be more severely punished than violations of regulations applicable to insured depository institutions that are not controlled by DIHCs (subsections (i), (j), (k) and (l) of this section).

Subparagraph (c)(1)(A) empowers the AFBA to develop rules and regulations to prevent insured depository institutions under its supervision that are also controlled by a DIHC from engaging in unsafe or unsound practices involving the DIHC or any of its affiliates, including unsafe and unsound practices that may arise in connection with transactions covered by sections 23A and 23B of the Federal Reserve Act.

Subparagraph (c)(1)(B) empowers the AFBA to create certain exceptions to the provisions of the preceding subparagraph, if the AFBA deems that such exceptions are reasonable and in the public interest and not inconsistent with the purposes of this Act. These exemptions may relate to certain institutions or classes of institutions, or to certain transactions or classes of transactions, including transactions covered under Sections 23A or 23B of the Federal Reserve Act.

Paragraph (c)(2) provides that any rules adopted under subparagraph (c)(1)(A) shall be issued in accordance with normal rulemaking procedures and shall afford interested parties the opportunity to comment in writing and orally on any proposed rule.

Paragraph (c)(3) grandfathers specific interaffiliate transactions approved by a Federal regulatory agency prior to the enactment of this Act, exempting them from rules and regulations promulgated under subparagraph (c)(1)(A).

Paragraph (c)(4) makes it clear that sections 23A and 23B of the Federal Reserve Act will apply to every insured depository institution controlled by a depository institution holding company.

Paragraphs (c)(5) and (c)(6) prohibit any insured depository institution in a DIHC from extending credit to or purchasing the assets of a securities affiliate and providing other types of financial support to that DIHC's securities affiliate except for daylight overdrafts that relate to U.S. government securities transactions if the daylight overdrafts are fully collateralized by U.S. government securities as to principal and interest.

Paragraph (c)(7) prohibits insured depository institutions in a DIHC from issuing various guarantees for the enhancement of the marketability of a securities issue underwritten or distributed by a securities affiliate of that DIHC.

Paragraph (c)(8) prohibits insured depository institutions in a DIHC from extending credit secured by or for the purposes of purchasing any security during an underwriting period of for 30 days thereafter where a securities affiliate of such institution participates as an underwritten or member of a selling group.

Paragraph (c)(9) prohibits insured depository institutions in a DIHC from extending credit to an issuer of securities underwritten by a securities affiliate for the purpose of paying the principal of those securities or interest for dividends on those securities.

Paragraph (c)(10) defines ''securities affiliate'' for the purposes of paragraphs (c)(5), (6), (7), (8) and (9).

Subsection (d): Capitalization. This subsection regulates the capitalization of insured depository institutions that are controlled by a DIHC.

Paragraph (d)(1) requires that insured depository institutions controlled by a DIHC be well capitalized.

Paragraph (d)(2) provides that if the AFBA finds that an insured depository institution subsidiary of a DIHC is not well capitalized, the DIHC shall have thirty days to reach an agreement with the AFBA concerning how and according to what schedule the insured depository institution will bring its minimum capital back into conference with requirements. During that time the insured depository institution shall operate under the close supervision of the AFBA.

In the event that the DIHC does not reach an agreement within thirty days with the AFBA on how and according to what schedule the capital of the insured depository institution will be replenished, the DIHC will be required to divest the insured depository institution in an orderly manner within a period of six months, or such additional period of time as the AFBA may determine is reasonably required in order to effect such divestiture.

Paragraph (d)(3) states that in view of the enhanced regulatory control over insured depository institutions controlled by DIHCs, no AFBA may regulate the capital of the DIHC. Thus, no AFBA may require the DIHC itself to enter into any other agreement regarding the maintenance of capital in its insured depository institution affiliates. The capital of the DIHC would, however, be regulated by any other agency having jurisdiction over it. For example, if the DIHC were also a registered broker/dealer, it would have to conform to the minimum capital requirements mandated by the SEC.

Subsection (e): Interstate Acquisitions and Activities of Insured Depository Institutions. This subsection subjects interstate acquisitions of an insured depository institution by a DIHC to the same restrictions as those applicable to bank holding companies under section 3(d) of the Bank Holding Company Act of 1956, as amended, and it subjects interstate acquisitions of savings associations by a DIHC to the same restrictions as those applicable to savings and loan holding companies.

Subsection (f): Differential Treatment Prohibition; Laws Inconsistent with this Act. This subsection does two things. First, it prohibits adversely differential treatment of DIHCs and their affiliates, including their insured depository institution affiliates, except as this Act specifically provides. Second, this subsection ensures that state and federal initiatives do not undermine achievement of the purposes of this Act. Whether couched as affiliation, licensing or agency restrictions or as constraints on access to state courts, such laws effectively perpetuate market barriers and deny consumers the opportunity to choose between different financial products and services.

Paragraph (f)(1) notwithstanding any other federal law, prohibits states from enacting laws that discriminate against DIHCs or against their affiliates, including their insured depository institution affiliates. This paragraph also prohibits, notwithstanding any other federal law, federal and state regulatory agencies from discriminating by rule, regulation, order or any other means against DIHCs or against their affiliates, including

their insured depository institution affiliates, except as this Act specifically provides. This is intended to assure that the primary purpose of this Act—the enhancement of competition in the depository institution sector—will be fulfilled.

Paragraph (f)(2) finds that certain State affiliation and licensing laws restrain legitimate competition in interstate commerce, deny consumers freedom of choice in selecting an insured depository institution and threaten the long-term safety and soundness of insured depository institutions by limiting their access to capital.

Accordingly, with the exception of certain laws related to insurance and real estate brokerage which are treated in Subsection (g), this paragraph preempts any provision of federal or state law, rule, regulation or order that is expressly or impliedly inconsistent with the provisions of this section. The preempted statutes include state banking, savings and loan, securities, finance company, retail or other laws which restrict the affiliation of insured depository institutions or their owners, agents, principals, brokers, directors, officers, employees or other representatives with other firms. Similarly, laws prohibiting cross marketing of products and services are preempted insofar as such cross marketing activities are conducted by DIHCs, their affiliates, or by any agent, principal, broker, director, officer, employee or other representative. By contrast, nondiscriminatory state approval, examination, supervisory, regulatory, reporting, licensing, and similar requirements are not affected.

Paragraph (f)(3) removes a common uncertainty under state licensing and qualification to do business statutes, which leaves an out-of-state insured depository institution's access to another state's courts unresolved. Under this provision, so long as such an insured depository institution limits its activities to those which do not constitute the establishment or operation of a ''domestic branch'' of an insured depository institution in that other state, it can qualify to maintain or defend in that state's court any action which could be maintained or defended by a company which is not an insured depository institution and is not located in that state, subject to the same filing, fee and other conditions as may be imposed on such a company. This paragraph is not intended to grant states any power that they do not currently have to regulate the activities of out-of-state insured depository institutions.

Paragraph (f)(4) makes clear that a state, except subject to the provisions of this Act, may not impede or prevent any insured depository institution affiliated with a DIHC or any DIHC or affiliate thereof from marketing products and services in that state by utilizing and compensating its agents, solicitors, brokers, employees and other persons located in that state and representing such a insured depository institution, company, or affiliate. However, to the extent such persons are performing loan origination, deposit solicitation or other activities in which an insured depository institution may engage, those activities cannot constitute the establishment or operation of a ''domestic branch'' at any location other than the main or branch offices of the insured depository institution.

Paragraph (f)(5) contains a special definition of ''affiliate'' and ''control'' for purposes of paragraphs (2) through (4) this subsection only. Control is deemed to occur where a person or entity owns or has the power to vote 10% of the voting securities of another entity or where a person or entity directly or indirectly determines the management or policies of another entity or person. Unlike the definition of affiliate set forth in paragraph (4) of subsection (a), this definition encompasses not only corporate affiliations but affiliations between corporations and individuals.

Subsection (q): Securities, Insurance and Real Estate Activities of Insured Depository Institutions. In order to facilitate functional regulation of the activities of DIHCs this section prohibits insured depository institutions controlled by DIHCs from conducting certain securities, insurance and real estate activities currently permissible for some insured depository institutions.

Subparagraph (g)(1)(A) provides that no insured depository institution controlled by a DIHC shall directly engage in dealing in or underwriting securities, or purchasing or selling securities as agent, except to the extent such activities are performed with regard to obligations of the United States or are the type of activities that could be performed by a national bank's trust department (12 U.S.C. 92a).

Subparagraph (g)(1)(B) provides that no insured depository institution controlled by a DIHC shall directly engage in insurance underwriting.

Subparagraph (g)(1)(C) provides that no insured depository institution controlled by a DIHC shall directly engage in real estate investment or development except insofar as these activities are incidental to the insured depository institution's investment in or operation of its own premises, result from foreclosure on collateral securing a loan, or are the type of activities that could be performed by a national bank's trust department.

Paragraph (g)(2) clarifies that nothing in this subsection shall be construed to prohibit or impede a DIHC or any of its affiliates (other than an insured depository institution) from engaging in any of the activities set forth in paragraph (1) or to prohibit an employee of an insured depository institution that is an affiliate of a DIHC from offering or marketing products or services of an affiliate of such an insured depository institution as set forth in paragraph (1).

Paragraph (g)(3), however, contains significant limits on DIHC entry into the businesses of insurance agency and real estate brokerage. No DIHC could enter these fields de novo. Rather, they would have to purchase either an insurance agency or real estate brokerage business which had been in business for at least five years prior to passage of the Act.

Paragraph (g)(4) provides that nothing in this subsection will require the breach of a contract entered into prior to enactment of this Act.

Subsection (h): Tying and Insider Lender Provisions. This section subjects DIHCs to the tying provisions of section 106 of the Bank Holding Company Act Amendments of 1970 and to the insider lending prohibitions of section 22(h) of the Federal Reserve Act. These sections prohibit tying between products and services offered by insured depository institutions and products and services offered by the DIHC itself or by any of its other affiliates. Note, however, that these tying provisions do not apply to products and services that do not involve an insured depository institution. The insider lending provisions severely limit loans by an insured depository institution to officers and directors of the insured depository institution. For purposes of both provisions, the AFBA will exercise the rulemaking authority vested in the Federal Reserve with regard to these limitations.

Subsection (i): Examination and Enforcement. This subsection provides that the AFBA shall use its examination and supervision authority to enforce the provisions of this section, including any rules and regulations promulgated under subsection (c). In particular, it is intended that each AFBA should structure its examination process so as to uncover possible violations of the provisions of this section and that the agency should not hesitate to make full use of its cease-and-desist powers or to impose as warranted the special penalties discussed below, if it believes that an insured depository institution under its supervision that is controlled by a DIHC is in violation of any provisions of this section.

This subsection also grants the AFBA authority to examine any other affiliate of the DIHC as well as the DIHC itself in order to ensure compliance with the limitations of this section or other provisions of law made applicable by this section such as sections 23A and 23B of the Federal Reserve Act.

In addition, this subsection grants each AFBA the right to apply to the appropriate district court of the United States for a temporary or permanent injunction or a restraining order to enjoin any person or company from violation of the provisions of this section or any regulation prescribed under this section. The AFBA may seek such an injunction or restraining order whenever it considers that an insured depository institution under its supervision or any DIHC controlling such an insured depository institution is violating, has violated or is about to violate any provision of this section or any regulation prescribed under this section. In seeking such an injunction or restraining order the AFBA may also request such equitable relief as may be necessary to prevent the violation in question. This relief may include a requirement that the DIHC divest itself of control of the insured depository institution, if this is the only way in which the violation can be prevented.

This injunctive power will enable the AFBA to move speedily to stop practices that it believes endanger the safety and soundness of an insured depository institution under its supervision that is controlled by a DIHC. If necessary to protect the depositors and safeguard the deposit insurance funds, the AFBA may request that the injunction proceedings be held in camera, so as not to provoke a run on the insured depository institution.

Subsection (j): Divestiture. This subsection states that an AFBA may require a DIHC to divest itself of an insured depository institution, if the agency finds that the insured depository institution is engaging in a continuing course of action involving the DIHC or any of its affiliates that would endanger the safety and soundness of that insured depository institution. Although the DIHC would have the right to a hearing and to judicial review and have one year in which to divest the insured depository institution, it should be emphasized that the insured depository institution would operate under the close supervision of the AFBA from the date of the initial order until the date the divestiture is completed. This is intended to safeguard the insured depository institution in question, its depositors and the deposit insurance funds.

Subsection (k): Criminal Penalties: This subsection provides for criminal penalties for knowing and willful violations of the provisions of this section, even if these violations do not result in an initial or final order requiring divestiture of the insured depository institution. For companies found to be in violation of the provisions of this section the maximum penalty shall be the greater of (a) $250,000 per day for each day that the violation continues or (b) one percent of the minimum required capital of the insured depository institution per day for each day that the violation continues, up to a maximum of 10% of the minimum capital of the insured depository institution—a fine that

could amount to tens of millions of dollars for a large insured depository institution. Such a fine is designed to be large enough to deter even large insured depository institutions from violating the provisions of this section.

For individuals found to be in violation of the provisions of this section the penalty shall be a fine and/or a prison term. The maximum fine shall be the greater of (a) $250,000 or (b) twice the individual's annual rate of total compensation at the time the violation occurred. The maximum prison sentence shall be one year. In addition, individuals violating the provisions of this section will also be subject to the penalties provided for in Section 1005 of Title 18 for false entries in any book, report or statement to the extent that the violation included such false entries.

A DIHC and its affiliates shall also be subject to the Criminal penalties provisions of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 and the Comprehensive Thrift and Bank Fraud Prosecution and Taxpayer Recovery Act of 1990 to the same extent as a registered bank holding company, savings and loan holding company or any affiliate of such companies.

Subsection (1): Civil Enforcement, Cease-and-Desist Orders, Civil Money Penalties. This subsection provides for civil enforcement, cease-and-desist orders and civil money penalties consistent with subsections (b) through (s) and subsection (u) of section 1818 of Title 123 for any company or person that violates the provisions of this section in the same manner as they apply to a state member insured bank, and grants the AFBA the power to impose such penalties after providing the company or person accused of such violation the opportunity to object in writing to its finding.

Subsection (m): Judicial Review. This subsection provides for judicial review of decisions reached by an AFBA under the provisions of this section. This right to review includes a right of judicial review of statutes, rules, regulations, orders and other actions that would discriminate against DIHCs or affiliates controlled by such companies.

Section 102: Amendment to the Bank Holding Company Act of 1956

This section contains a conforming amendment to the definition of the term ''bank'' in the Bank Holding Company Act to ensure that a DIHC owning an insured depository institution will be regulated under this Act rather than the Bank Holding Company Act.

Section 103: Amendments to the Federal Reserve Act

This section clarifies the application of Section 23A of the Federal Reserve Act to certain loans and extensions of credit to persons who are not affiliated with a member bank. Section 23A contains a provision that was intended to prevent the use of ''straw man'' intermediaries to evade section 23A's limitations on loans and extensions of credit to affiliates. Contrary to its original purpose, the provision may also be literally read to restrict a bona fide loan or extension of credit to a third party who happens to use the proceeds to purchase goods or services from an affiliate of the insured depository institution; such a loan could occur, for example, if a customer happened to use a credit card issued by an insured depository institution to buy an item sold by the insured depository institution's affiliate. This section clarifies that such loans and extensions of credit are not covered by section 23A as long as (i) the insured depository institution approves them in accordance with substantially the same standards and procedures and on substantially the same terms that it applies to similar loans or extensions of credit that do not involve the payment of the proceeds to an affiliate, and (ii) the loans or extensions of credit are not made for the purpose of evading any requirement of section 23A.

Section 104: Amendments to the Banking Act of 1933

Subsection (a) amends section 20 of the Glass-Steagall Act so that it does not apply to member banks that are controlled by DIHCs.

Subsection (b) amends section 32 of the Glass-Steagall Act so that it does not apply to officers, directors and employees of affiliates of a single depository institution holding company.

Section 105: Amendment to the Federal Deposit Insurance Act

This section amends the Change in Bank Control Act to provide that an acquisition of a DIHC controlling an insured depository institution may only be accomplished after complying with that Act's procedures. It also modifies the definition of ''control'' in the Change in Savings and Loan Control Act to conform it to the definition in section 101(a)(9) of this Act.

Section 106: Amendment to the Securities Exchange Act of 1934

This section amends the Securities Exchange Act of 1934 to provide for the registration and regulation of Broker Dealers.

Section 107: Amendment to the Home Owners' Loan Act

This section amends section 11 of the Home Owners' Loan Act in order to apply Section 101(c)(1)(B) of this section to savings associations.

Section 108: Amendment to the Community Reinvestment Act

This section amends the Community Reinvestment Act to make it applicable to acquisitions of insured depository institutions by DIHC's.

TITLE II—SUPERVISORY IMPROVEMENTS

Section 201: National Financial Services Committee

This section establishes a standing committee, the National Financial Services Oversight Committee (Committee), in order to provide a forum in which federal and state regulators can reach a consensus regarding how the regulation of insured depository institutions should evolve in response to changing market conditions. In addition, the Committee also provides a mechanism through which various federal regulatory agencies could coordinate their responses to a financial crisis, if such a crisis were to occur. The Committee comprises all federal agencies responsible for regulating financial institutions or financial activities, and it is structured to allow state regulators to participate in its deliberations.

The Committee consists of the Chairman of the Secretary of the Treasury, who is also the Chairman of the Committee, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the FDIC, the Director of the Office of Thrift Supervision, the Comptroller of the Currency, the Secretary of Commerce, the Attorney General, the Chairman of the SEC, and the Chairman of the CFTC.

The Committee is directed to report to Congress within one year of enactment of this Act on proposed legislative or regulatory actions that will improve the examination process to permit better oversight of all insured depository institutions. It is also directed to establish uniform principles and standards for examinations.

TITLE III

Section 301: Effective date

The Act will become effective on the date of enactment.

Mr. GRAMS. Mr. President, I rise today in support of the Depository Institution Affiliation Act, which has been drafted by Senate Banking Committee Chairman ALFONSE D'AMATO. This landmark piece of legislation will modernize the archaic laws that govern our financial services industry. Passage of this legislation will benefit consumers, increase the availability of venture capital for job creation, and bolster the international competitiveness of America's financial services industry.

There is a clear need to modernize the outdated laws that govern America's financial services industry, because financial services play a vital role in our daily lives. We take out loans to go to college, to buy a car, and to purchase a home. We buy insurance to provide greater security to ourselves and our families. We make investments throughout our life so that we may retire in comfort and dignity.

Today, technological advancements and increased innovation in the delivery of financial services make it easier than ever for consumers to get loans, purchase insurance, and invest their earnings. Unfortunately, our archaic and burdensome laws governing financial institutions continue to discourage, rather than encourage, such advancement and innovation.

The laws to which I am referring are not those governing the safety and soundness of financial institutions, such as setting minimum capital requirements or requiring periodic oversight by Federal or State regulators. Safety and soundness laws and regulations are beneficial and necessary, as they enhance the security of the consumer whenever he or she deposits money in a bank or purchases an insurance policy.

The outdated laws to which I am referring are the laws that create barriers to competition by artificially compartmentalizing the three major sectors of financial services—banking, securities, and insurance. For example, under the Banking Act of 1933, more commonly known as the Glass-Steagall Act, banks are generally barred from directly investing in corporate securities, underwriting new corporate issues or sponsoring mutual funds. Under the Bank Holding Company Act of 1956, securities underwriters, insurance underwriters, and nonfinancial companies are generally prohibited from owning banks or being owned by a bank holding company.

These outdated financial institution laws hurt consumers by artificially increasing the costs of financial services, reducing the availability of financial products, and reducing the level of convenience in the delivery of financial services. These laws hurt small businesses—an engine of job growth in the American economy—by artifically limiting the amount of equity capital available for expanded activity. These

laws weaken the international competitiveness of America's financial institutions by prohibiting them from offering the range of financial services that foreign financial institutions may offer.

It should be noted that the Glass-Steagall Act—which created the compartmentalized structure of financial services that we have today—was based upon the false premise that the massive amount of bank failures that occurred during the Great Depression was caused by the securities activities that these banks conducted. However, just the opposite is true: Diversification in financial services actually increased the safety and soundness of the banks. Between 1929 and 1933, 26.3 percent of all national banks failed. However, the failure rate for those banks that conducted securities activities was lower. Of the national banks in 1929 that either had securities affiliates or had internal bond departments, only 7.2 percent had failed by 1933. The message from these statistics is clear: We should encourage competition and diversification, not discourage it.

Last year, Congress passed a bipartisan and comprehensive legislative initiative to reform the Telecommunications Act and stimulate competition and innovation in the telecommunications industry. Similar action is needed this year to stimulate the growth and global competitiveness of our financial services industry.

The Depository Institution Affiliation Act creates a new Financial Services Holding Company structure that will permit banks, thrifts, securities companies and insurance companies to affiliate and cross-market their products. This structure will do this while maintaining consumer protections and the safety and soundness of the Federal deposit insurance system.

This legislation will greatly benefit consumers. The D'Amato bill's termination of affiliation restrictions will significantly increase competition in the financial services industry. Consumers' costs in the purchase of insurance, securities and banking products will be lowered. The bill's termination of crossmarketing restrictions will increase consumer convenience, as consumers will be able to do one-stop shopping for all of their financial services needs. The D'Amato bill does all of this while maintaining the statues and regulations that protect consumers from fraud and discrimination.

This legislation will maintain the safety and soundness of the Federal deposit insurance system. The D'Amato bill protects banks from being affected by affiliate and holding company insolvency by implementing firewalls that prohibit affiliates from raiding the insured bank. As added protection, it requires that if a bank becomes anything less than satisfactorily capitalized, the Financial Services Holding Company must immediately divest of the bank.

This legislation will provide for competitive equality among all financial services providers. Its provisions have been carefully crafted to provide a level playing field for banks, thrifts, securities companies and insurance companies. This charter up approach will permit all of these companies to become Financial Services Holding Companies, and will not prevent current financial institutions from conducting any activities that they currently conduct.

In closing, I look forward to supporting Chairman D'AMATO in his efforts to pass financial modernization legislation. It is my hope that 1997 will be the year that we join together and create a bipartisan bill that will reform our laws so that America's financial institutions will be able to compete, innovate and grow to meet the challenges of the 21st century.

By Mr. LAUTENBERG (for himself, Mr. DEWINE, Mr. LEVIN, Mr. INOUYE, Mr. COVERDELL, and Mr. ABRAHAM):

S. 299. A bill to require the Secretary of the Treasury to mint coins in commemoration of the sesquicentennial of the birth of Thomas Alva Edison, to redesign the half dollar circulating coin for 1997 to commemorate Thomas Edison, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE THOMAS ALVA EDISON SESQUICENTENNIAL COMMEMORATIVE COIN ACT

Mr. LAUTENBERG. Mr. President, I rise on behalf of Senators DEWINE, LEVIN, INOUYE, COVERDELL, ABRAHAM, and myself, to introduce legislation that would direct the Secretary of the Treasury to mint coins commemorating the 150th anniversary of Thomas Alva Edison's birth. The introduction of this legislation today, February 11, is significant because Thomas Edison was born 150 years ago.

Mr. President, few Americans have had a greater impact on our Nation, and our world, than Thomas Edison. He produced more than 1,300 inventions, including the incandescent light bulb, the alkaline battery, the phonograph, and motion pictures.

In 1928, the Congress saw fit to award to Mr. Edison a Congressional Gold Medal ''for development and application of inventions that have revolutionized civilization in the last century.'' The legislation I am introducing today would once again honor one of the world's greatest inventors by issuing both commemorative and circulating coins with Mr. Edison's likeness.

These coins not only would honor the memory of Thomas Edison, they would also raise revenue to support organizations that preserve his legacy. The two New Jersey Edison sites, the ''invention factory'' in West Orange and the Edison Memorial Tower in Edison, are both in need of repair. Irreplaceable records and priceless memorabilia are in danger of being destroyed because of moisture damage and structural problems. Each year, 9,000 young students visit the West Orange site to learn about the great inventor. Our legislation, at no cost to the Government, would provide the funds necessary to protect these and five other historical sites so that generations of schoolchildren can continue to visit them.

Let me emphasize that this legislation would have no net cost to the Government. In fact, because circulating coins are a source of Government revenue known as seigniorage, this bill would reduce Government borrowing requirements, thereby lowering the annual interest payments on the national debt. An Edison commemorative coin program also has strong support among America's numismatists, whose interest is crucial to the success of any coin program.

Mr. President, I introduced similar legislation at the end of the 104th Congress. I introduce it again on the 150th birthday of this great American inventor with the anticipation that my colleagues will join me in honoring the memory of Thomas Alva Edison while providing sorely needed funds to important historical sites.

I urge my colleagues to support this legislation and ask unanimous consent that a copy 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. 299

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Thomas Alva Edison Sesquicentennial Commemorative Coin Act''.

SEC. 2. FINDINGS.

The Congress finds that—

(1) Thomas Alva Edison, one of America's greatest inventors, was born on February 11, 1847, in Milan, Ohio;

(2) the inexhaustible energy and genius of Thomas A. Edison produced more than 1,300 inventions in his lifetime, including the incandescent light bulb and the phonograph;

(3) in 1928, Thomas A. Edison received the Congressional gold medal ''for development and application of inventions that have revolutionized civilization in the last century''; and

(4) 1997 will mark the sesquicentennial of the birth of Thomas A. Edison.

TITLE I—COMMEMORATIVE COINS

SEC. 101. COIN SPECIFICATIONS.

(a) DENOMINATIONS.—In commemoration of the sesquicentennial of the birth of Thomas A. Edison, the Secretary of the Treasury (hereafter in this Act referred to as the ''Secretary'') shall mint and issue—

(1) not more than 350,000 $1 coins, each of which shall—

(A) weigh 26.73 grams;

(B) have a diameter of 1.500 inches; and

(C) contain 90 percent silver and 10 percent copper; and

(2) not more than 350,000 half dollar coins, each of which shall—

(A) weigh 12.50 grams;

(B) have a diameter of 1.205 inches; and

(C) contain 90 percent silver and 10 percent copper.

(b) LEGAL TENDER.—The coins minted under this title shall be legal tender, as provided in section 5103 of title 31, United States Code.

(c) NUMISMATIC ITEMS.—For purposes of section 5134 of title 31, United States Code, all coins minted under this title shall be considered to be numismatic items.

SEC. 102. SOURCES OF BULLION.

The Secretary shall obtain silver for minting coins under this title only from stockpiles established under the Strategic and Critical Materials Stock Piling Act.

SEC. 103. DESIGN OF COINS.

(a) DESIGN REQUIREMENTS.—

(1) IN GENERAL.—The design of the coins minted under this title shall be emblematic of the many inventions made by Thomas A. Edison throughout his prolific life.

(2) DESIGNATION AND INSCRIPTIONS.—On each coin minted under this title there shall be—

(A) a designation of the value of the coin;

(B) an inscription of the years ''1847–1997''; and

(C) inscriptions of the words ''Liberty'', ''In God We Trust'', ''United States of America'', and ''E Pluribus Unum''.

(3) OBVERSE OF COIN.—The obverse of each coin minted under this title shall bear the likeness of Thomas A. Edison.

(b) DESIGN COMPETITION.—Before the end of the 3-month period beginning on the date of enactment of this Act, the Secretary shall conduct an open design competition for the design of the obverse and the reverse of the coins minted under this title.

(c) SELECTION.—The design for the coins minted under this title shall be—

(1) selected by the Secretary after consultation with the Commission of Fine Arts; and

(2) reviewed by the Citizens Commemorative Coin Advisory Committee.

SEC. 104. ISSUANCE OF COINS.

(a) QUALITY OF COINS.—Coins minted under this title shall be issued in uncirculated and proof qualities.

(b) MINT FACILITY.—Only 1 facility of the United States Mint may be used to strike any particular quality of the coins minted under this title.

(c) COMMENCEMENT OF ISSUANCE.—The Secretary may issue coins minted under this title beginning on and after the date of enactment of this Act.

(d) TERMINATION OF MINTING AUTHORITY.—No coins may be minted under this title after July 31, 1998.

SEC. 105. SALE OF COINS.

(a) SALE PRICE.—The coins issued under this title shall be sold by the Secretary at a price equal to the sum of—

(1) the face value of the coins;

(2) the surcharge provided in subsection (d) with respect to such coins; and

(3) the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping).

(b) BULK SALES.—The Secretary shall make bulk sales of the coins issued under this title at a reasonable discount.

(c) PREPAID ORDERS.—

(1) IN GENERAL.—The Secretary shall accept prepaid orders for the coins minted under this title before the issuance of such coins.

(2) DISCOUNT.—Sale prices with respect to prepaid orders under paragraph (1) shall be at a reasonable discount.

(d) SURCHARGES.—All sales of coins minted under this title shall include a surcharge of—

(1) $14 per coin for the $1 coin; and

(2) $7 per coin for the half dollar coin.

SEC. 106. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods and services necessary for carrying out this title.

(b) EQUAL EMPLOYMENT OPPORTUNITY.—Subsection (a) shall not relieve any person entering into a contract under the authority of this title from complying with any law relating to equal employment opportunity.

SEC. 107. DISTRIBUTION OF SURCHARGES.

(a) IN GENERAL.—Subject to section 5134(f) of title 31, United States Code, the first $7,000,000 of the surcharges received by the Secretary from the sale of coins issued under this title shall be promptly paid by the Secretary as follows:

(1) MUSEUM OF ARTS AND HISTORY.—Up to 1/7 to the Museum of Arts and History, in the city of Port Huron, Michigan, for the endowment and construction of a special museum on the life of Thomas A. Edison in Port Huron.

(2) EDISON BIRTHPLACE ASSOCIATION.—Up to 1/7 to the Edison Birthplace Association, Incorporated, in Milan, Ohio, to assist in the efforts of the association to raise an endowment as a permanent source of support for the repair and maintenance of the Thomas A. Edison birthplace, a national historic landmark.

(3) NATIONAL PARK SERVICE.—Up to 1/7 to the National Park Service, for use in protecting, restoring, and cataloguing historic documents and objects at the ''invention factory'' of Thomas A. Edison in West Orange, New Jersey.

(4) EDISON PLAZA MUSEUM.—Up to 1/7 to the Edison Plaza Museum in Beaumont, Texas, for expanding educational programs on Thomas A. Edison and for the repair and maintenance of the museum.

(5) EDISON WINTER HOME AND MUSEUM.—Up to 1/7 to the Edison Winter Home and Museum in Fort Myers, Florida, for historic preservation, restoration, and maintenance of the historic home and chemical laboratory of Thomas A. Edison.

(6) EDISON INSTITUTE.—Up to 1/7 to the Edison Institute, otherwise known as ''Greenfield Village'', in Dearborn, Michigan, for use in maintaining and expanding displays and educational programs associated with Thomas A. Edison.

(7) EDISON MEMORIAL TOWER.—Up to 1/7 to the Edison Memorial Tower in Edison, New Jersey, for the preservation, restoration, and expansion of the tower and museum.

(b) EXCESS PAYABLE TO THE NATIONAL NUMISMATIC COLLECTION.—After payment of the amounts required under subsection (a), the Secretary shall pay the remaining surcharges to the National Museum of American History in Washington, D.C., for the support of the National Numismatic Collection at the museum.

(c) AUDITS.—Each organization that receives any payment from the Secretary under this section shall be subject to the audit requirements of section 5134(f)(2) of title 31, United States Code.

SEC. 108. FINANCIAL ASSURANCES.

(a) NO NET COST TO THE GOVERNMENT.—The Secretary shall take such actions as may be necessary to ensure that minting and issuing coins under this title will not result in any net cost to the United States Government.

(b) PAYMENT FOR COINS.—A coin shall not be issued under this title unless the Secretary has received—

(1) full payment for the coin;

(2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration Board.

TITLE II—CIRCULATING COINS

SEC. 201. AUTHORITY TO REDESIGN HALF DOLLAR CIRCULATING COINS.

Section 5112(d) of title 31, United States Code, is amended by inserting after the 6th sentence the following: ''At the discretion of the Secretary, half dollar coins minted after December 31, 1996, and before July 31, 1998, may bear the same design as the commemorative coins minted under title I of the Thomas Alva Edison Sesquicentennial Commemorative Coin Act, as established under section 103 of that Act.''.

By Mr. FEINGOLD (for himself and Mr. KOHL):

S. 300. A bill to prohibit the use of certain assistance provided under the Housing and Community Development Act of 1974 to encourage plant closings and the resultant relocation of employment, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE PROHIBITION OF INCENTIVES FOR RELOCATION ACT OF 1997

● Mr. FEINGOLD. Mr. President, I introduce legislation to address an important and timely issue for the citizens of my State of Wisconsin, and for others all over our Nation—the issue of job piracy.

Last month, officials in the State of Michigan announced a new initiative designed to lure businesses from other States into their own borders. Businesses are provided a tempting incentive to relocate there, tax-free status for 15 years, if they relocate to select regions of the State. The communications director for the Michigan Jobs Commission, Jim Tobin, was quoted in the Wisconsin State Journal as saying that the new so-called renaissance zones program ''will aggressively pursue Wisconsin companies for relocation into Michigan.'' Presumably, other States bordering Michigan will be targeted as well.

I was extremely disappointed to hear that my neighboring State had chosen to blatantly target Wisconsin jobs, rather than focusing its energies on creating new jobs for its residents. In my opinion, economic development ought not be thought of as a zero-sum game. We live in an era of increasing economic interdependence, and responsible elected officials should be focusing on regional and national solutions to the crises in our States' most economically distressed areas, not on raiding each others' jobs.

Upon hearing of the new Michigan initiative, my colleagues Senator KOHL and Congressman TOM BARRETT and I requested investigations from several Federal agencies in order to ascertain whether and to what degree Federal funds are being used to finance the renaissance zones initiative. We feel strongly that our constituents' tax dollars should not have to help finance the efforts of those across State lines who attempt to steal their jobs.

Fortunately, most Federal economic development grant programs, such as those funded by the Small Business Administration and the Economic Development Administration, currently include antipiracy language. However,

this important anti-piracy provision is conspicuously absent in the Community Development Block Grant [CDBG] Program and several other small programs administered by the Department of Housing and Urban Developmen [HUD].

Today, Senator KOHL and I are introducing the Prohibition of Incentives for Relocation Act of 1997, a bill we have introduced previously, in both the 103d and 104th Congresses. It would simply make the CDBG, HUD special purpose grants, and HUD economic development grants consistent with other domestic economic development grant programs, by prohibiting HUD funds from being used for activities that are intended, or likely to facilitate, the closing of an industrial or commercial plant, or the substantial reduction of operations of a plant; and result in the relocation or expansion of a plant from one area to another area. Identical legislation is being introduced in the House by Representative BARRETT and Representative KLECZKA.

We became aware of this problem in the way the CDBG language is currently drafted several years ago. In 1994, Briggs and Stratton, one of Wisconsin's major employers, announced that its Milwaukee plant would be closing. As a result, over 2,000 jobs at the plant were lost. The total economic impact on the community was even worse: For every four Briggs jobs lost, an estimated one additional job from a supplier or other business that relied on Briggs was lost.

At the same time as the Milwaukee closing, Briggs and Stratton expanded two of its plants in other States. I do not dispute its right to do so. But what I find objectionable, Mr. President, is that Federal dollars, CDBG funds, were used to facilitate the transfer of these jobs from one State to another. This was, in my opinion, a completely inappropriate use of Federal funds. The Community Development Block Grant Program is designed to expand employment opportunities and economic growth, not simply move jobs from one community to another. There is no way to justify to my constituents that they are sending their tax dollars to Washington to be distributed to other States in order to attract jobs out of our State, leaving behind communities whose economic stability has been destroyed.

Mr. President, it is not clear if CDBG dollars are being used by the State of Michigan to finance their piracy of jobs from my State and from our other Midwestern neighbors. But in any event, the statute should be revised to prohibit such usage. It is an issue of fairness, and it deserves our attention. 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. 300

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

SECTION 1. PROHIBITION OF USE OF CERTAIN ASSISTANCE TO ENCOURAGE PLANT CLOSINGS AND RESULTANT RELOCATION OF EMPLOYMENT.

(a) AUTHORIZATIONS.—Section 103 of the Housing and Community Development Act of 1974 (42 U.S.C. 5303) is amended—

(1) by inserting ''(a)'' before ''The Secretary''; and

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

''(b) PROHIBITION OF USE OF ASSISTANCE TO ENCOURAGE PLANT CLOSINGS AND RESULTANT RELOCATION OF EMPLOYMENT.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, no amount from a grant made under section 106 shall be used for any activity that is intended or is likely to—

''(A) facilitate the closing of an industrial or commercial plant or the substantial reduction of operations of a plant; and

''(B) result in the relocation or expansion of a plant from one area to another area.

''(2) NOTICE.—The Secretary shall, by notice published in the Federal Register, establish such requirements as may be necessary to implement this subsection. Such notice shall be published as a proposed regulation and take effect upon publication. The Secretary shall issue final regulations, taking into account public comments received by the Secretary.''.

(b) SPECIAL PURPOSE GRANTS.—Section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307) is amended by adding at the end the following new subsection:

''(g) PROHIBITION OF USE OF ASSISTANCE TO ENCOURAGE PLANT CLOSINGS AND RESULTANT RELOCATION OF EMPLOYMENT.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, no amount from a grant made under this section shall be used for any activity that is intended or is likely to—

''(A) facilitate the closing of an industrial or commercial plant or the substantial reduction of operations of a plant; and

''(B) result in the relocation or expansion of a plant from one area to another area.

''(2) NOTICE.—The Secretary shall, by notice published in the Federal Register, establish such requirements as may be necessary to implement this subsection. Such notice shall be published as a proposed regulation and take effect upon publication. The Secretary shall issue final regulations, taking into account public comments received by the Secretary.''.

''(c) ECONOMIC DEVELOPMENT GRANTS.—Section 108(q) of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(q)) is amended by adding at the end the following new paragraph:

''(5) PROHIBITION OF USE OF ASSISTANCE TO ENCOURAGE PLANT CLOSINGS AND RESULTANT RELOCATION OF EMPLOYMENT.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, no amount from a grant made under this subsection shall be used for any activity that is intended or is likely to—

''(i) facilitate the closing of an industrial or commercial plant or the substantial reduction of operations of a plant; and

''(ii) result in the relocation or expansion of a plant from one area to another area.

''(B) NOTICE.—The Secretary shall, by notice published in the Federal Register, establish such requirements as may be necessary to implement this paragraph. Such notice shall be published as a proposed regulation and take effect upon publication. The Secretary shall issue final regulations, taking into account public comments received by the Secretary.''.●

By Mr. McCAIN:

S. 301. A bill to authorize the Secretary of the Interior to set aside up to $2 per person from park entrance fees or assess up to $2 per person visiting the Grand Canyon or other national park to secure bonds for capital improvements to the park, and for other purposes; to the Committee on Energy and Natural Resources.

NATIONAL PARKS LEGISLATION

Mr. McCAIN. Mr. President, I introduce legislation that would allow us to make desperately needed improvements within America's national parks.

The National Parks Capital Improvements Act of 1997 would allow private fundraising organizations to enter into agreements with the Secretary of the Interior to issue taxable capital development bonds. Bond revenues would then be used to finance park improvement projects. The bonds would be secured by an entrance fee surcharge of up to $2 per visitor at participating parks, or a set-aside of up to $2 per visitor from current entrance fees.

Our national park system has enormous capital needs—by last estimate, over $3 billion for high priority projects such as improved transportation systems, trail repairs, visitor facilities, historic preservation, and the list goes on and on. The unfortunate reality is that even under the rosiest budget scenarios our growing park needs far outstrip the resources currently available.

A good example of this funding gap is at Grand Canyon National Park. The park's recently approved park management plan calls for over $300 million in capital improvements, including a desperately needed transportation system to reduce congestion. Despite this enormous need for funding, the Grand Canyon received only $12 million from the Federal Government last year for operating costs. The gap is as wide as the Grand Canyon itself. Clearly, we must find a new way to finance park needs.

Revenue bonding would take us a long way toward meeting our needs within the national park system. Based on current visitation rates at the Grand Canyon, a $2 surcharge would enable us to raise $100 million from a bond issue amortized over 20 years. That is a significant amount of money which we could use to accomplish many critical park projects.

I want to emphasize, however, the Grand Canyon would not be the only park eligible to benefit from this legislation. Any park unit with capital needs in excess of $5 million is eligible to participate. Among eligible parks, the Secretary of the Interior will determine which may take part in the program.

I also want to stress that only projects approved as part of a park's general management plan can be funded through bond revenue. This proviso eliminates any concern that the revenue could be used for projects of questionable value to the park.

In addition, only organizations under agreement with the Secretary will be authorized to administer the bonding, so the Secretary can establish any rules or policies he deems necessary and appropriate.

Under no circumstances, however would, investors be able to attach liens against Federal property in the very unlikely event of default. The bonds will be secured only by the surcharge revenues.

Finally, the bill specifies that all professional standards apply and that the issues are subject to the same laws, rules, and regulatory enforcement procedures as any other bond issue.

The most obvious question raised by this legislation is: Will the bond markets support park improvement issues, guaranteed by an entrance surcharge? The answer is yes, emphatically. Americans are eager to invest in our Nation's natural heritage, and with park visitation growing stronger, the risks would appear minimal. For example, a recent Washington Times editorial printed on December 8, 1996, noted that park visitation has increased to nearly 280 million since 1983, so that now more than a quarter of a million people visit our national parks every year. That editorial went on to point out that attendance is expected to further increase to well over 300 million by the turn of the century.

Are park visitors willing to pay a little more at the entrance gate if the money is used for park improvements? Again, yes. Time and time again, visitors have expressed their support for increased fees provided that the revenue is used where collected and not diverted for some other purpose devised by Congress.

With the fee demonstration program currently being implemented at parks around the Nation, an additional $2 surcharge may not be necessary or appropriate at certain parks. Under the bill, those parks could choose to dedicate $2 per park visitor from current entrance fees toward a bond issue.

Finally, I want to point out that the bill will not cost the Treasury any money? On the contrary, it will result in a net increase in Federal revenue. First, the bonds will be fully taxable. Second, making desperately needed improvements sooner rather than later will reduce total project costs.

Mr. President, this legislation seeks to use park entrance fees to their fullest potential through bonds. I appreciate that some details may remain to be worked out in this bill and I encourage the administration and other interested groups to work with me to fine tune this legislation. But, I believe that use of revenue bonds to pay the staggering costs for capital improvements within our parks is an idea whose time has come.

America has been blessed with a rich natural heritage. The National Park Service Organic Act, which created the National Park Service, enjoins us to protect our precious natural resources for future generations and to provide for their enjoyment by the American people. The National Parks Capital Improvements Act must pass if we are to successfully fulfill the enduring responsibilities of stewardship with which we have been vested. I urge my colleagues to support me in this important effort.

I ask unanimous consent that copies of letters supporting this legislation from the Environmental Defense Fund, the National Trust for Historic Preservation, the Grand Canyon Fund, the National Park Foundation, the Grand Canyon Trust, the Friends of Acadia, Mount Rainier, North Cascades & Olympic Fund and the Rocky Mountain National Park Associates, Inc., be included in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

ROCKY MOUNTAIN NATIONAL PARK ASSOCIATES, INC.,
Estes Park, CO, February 3, 1997.

Senator JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN, Permit me to add a voice of support for the bill you are reintroducing known as the National Parks Capital Improvement Act.

Many of us affiliated as non profit and philanthropic partners working to improve and enhance America's National Park System are searching for innovative solutions to address the pressing needs of our parks. The concept of the National Parks Capital Improvements Act may be innovative within the context of national parks, but it is clearly a well-tested tool in the private sector and it is needed now for our park fix-up kits. It is my understanding that it permits bonds to be issued at our parks—at least those areas having special long-term needs and those adept at revenue generation. This legislation is not designed to address every need of the maintenance backlog which is fast accumulating within the National Park System. But in specific parks—like that of Grand Canyon or others with carefully defined Master Plans—this authority to issue bonds could be put to beneficial use immediately, addressing critically important infrastructure and visitor services improvement programs.

I hasten to add that not many parks have non profit partnerships as strong as Grand Canyon National Park has with its affiliates, the Grand Canyon Association and the Grand Canyon Fund. The key to making this bond issuance authority work effectively is the leadership and managerial competence coming from these non profit partners. The National Park Service is fortunate to have such strong non profit friends who are able to both create and manage this financing plan within the context of our National Park System.

I applaud your foresight and your leadership in reintroducing the National Parks Capital Improvements Act in this current session of Congress. I heartily endorse your concern and your continued efforts in seeking new solutions to help our national parks.

Kindest regards,

C.W. BUCHHOLTZ,
Executive Director.

NATIONAL TRUST FOR HISTORIC PRESERVATION,
Washington, DC, February 3, 1997.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the more than 250,000 members of the National Trust for Historic Preservation, I am writing to express our support for the National Parks Improvements Act of 1997. This legislation creates, in the form of revenue bonds, an innovative mechanism for funding the backlog of capital investment and deferred maintenance needs in our National Park System.

Recently, Senator Craig Thomas, the new Chairman of the Subcommittee on Parks, Historic Preservation and Recreation, expressed the view that the challenges facing the National Parks System—specifically the backlog of deferred maintenance, repair and restoration needs—must be addressed outside that normal annual appropriation process. The National Trust for Historic Preservation has a particular interest in finding sources of funding for the $1 to $2 billion backlog of restoration and rehabilitation needs for the 20,000 historic structures in our National Parks. The National Parks Improvement Act of 1997 provides a solution to the complex problem, and we look forward to working with you on this legislation.

Sincerely,

EDWARD M. NORTON, Jr.

GRAND CANYON FUND, INC.,
Grand Canyon, AZ, January 31, 1997.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: We are very pleased to offer our enthusiastic support of your new legislation, which will enable the National Park Service and private partners to use taxable revenue bond funding for the benefit of our irreplaceable national parks. We understand the new legislation incorporates the necessary changes to accommodate the recreation fee demonstration project and other interests.

Revenue bonding is an additional tool for private partners to utilize in assisting the National Park Service with meeting the overwhelming backlog of unfunded capital needs. We appreciated your support of the parks with your bill S. 1695 (National Parks Capital Improvements Act of 1996) and were very pleased to testify before the United States Senate Subcommittee on Parks, Historic Preservation and Recreation last September. We stand ready to assist you in any appropriate way.

Sincerely,

EUGENE P. POLK,
Chairman.
ROBERT W. KOONS,
President.

FRIENDS OF ACADIA,
Maine, February 3, 1997.

Re S. 1695—National Parks Capital Improvements Act of 1997.

Senator JOHN MCCAIN,
Senator BEN NIGHTHORSE CAMPBELL,
Subcommittee on Parks, Historic Preservation, and Recreation.

DEAR SEN. MCCAIN, SEN. CAMPBELL AND COMMITTEE MEMBERS: Friends of Acadia enthusiastically supports S. 1695, the National Parks Capital Improvements Act of 1997. Please add these comments directly to the record.

The bill would allow as much as a $2.00 user surcharge for visitors to Grand Canyon National Park and allow the issuance of bonds by a nonprofit park cooperator. The bill can apply to other, unspecified parks as well.

Friends of Acadia endorses this resourceful idea and thinks it may be applicable to Acadia National Park, which has an approved general management plan and currently has capital needs exceeding $5 million.

We respectfully request that, based on conditions unique to a given park, an individual park may be allowed to set the surcharge within or above the fee demonstration amount, if it is a fee demonstration park.

Friends of Acadia is an independent nonprofit organization whose mission is to protect and preserve Acadia National Park and the surrounding communities. We recently raised $4 million in private funds to leverage a $4-million park capital appropriation.

This was a model private-public partnership. Its success demonstrates that federal dollars can be effectively multiplied by innovative use of philanthropic nonprofits, as is envisioned in this bill.

Friends of Acadia urges passage of S. 1695.

Thank you for your consideration of and support for this effort.

Sincerely,

HEIDI A. BEAL,
Director of Programs.

NATIONAL PARK FOUNDATION,
Washington, DC, February 3, 1997.

Hon. JOHN MCCAIN,
U.S. Senate, Washington, DC.

DEAR SENATOR MCCAIN: Last year the National Park Foundation enjoyed working with you on several pieces of legislation, including a bill you authored which would have allowed the use of taxable bonds to finance long-term capital improvements within the National Park System. This bill, the National Parks Capital Improvements Act, would have generated additional revenue for America's natural, cultural and historic treasures through an innovative public-private partnership.

As the 105th Congress begins, we look forward to working closely with you and your staff on legislation designed to help conserve and protect National Parks.

Thank you for your consistent, thoughtful support of Grand Canyon National Park and the leadership you have shown in developing solutions to help the entire National Park System.

Sincerely,

JIM MADDY,
President.

GRAND CANYON TRUST,
February 6, 1997.

Hon. JOHN MCCAIN,
Washington, DC.

DEAR SENATOR MCCAIN: I am writing to express Grand Canyon Trust's support for the National Parks Capital Improvements Act of 1997, legislation to authorize a $2.00-per-person surcharge on entrance fees at Grand Canyon and other national parks to secure bonds for capital improvements.

We believe the proposed legislation will greatly assist the efforts of the National Park Service and other entities to generate the additional funding so urgently needed to maintain, repair and enhance the infrastructure of Grand Canyon National Park and others in the National Park System. We support the proposed use of the $2.00-per-person surcharge to generate incremental revenue for park capital projects.

Grand Canyon Trust shares your concerns that the park system's, and particularly Grand Canyon National Park's, pressing infrastructure and resource management needs will not be met unless Congress acts to provide the new authority proposed in this legislation. If those needs are not met, the environment in the parks and visitors' experiences will continue to deteriorate, an unacceptable and unnecessary fate for America's ''crown jewels,'' the national parks.

We look forward to working with you to achieve passage of this important legislation.

Sincerely,

GEOFFREY S. BARNARD,
President.

MOUNT RAINIER, NORTH CASCADES & OLYMPIC FUND,
Seattle, WA, January 31, 1997.

Senator JOHN MCCAIN,
Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the Mount Rainier, North Cascades & Olympic Fund, I would like to state our strong support for the upcoming bill that is replacing S. 1695.

The Fund is a non-profit organization, dedicated to the preservation and restoration of Washington's National Parks. Organizations such as the Fund, have been created throughout the United States to help fill the increasing gap between national park needs and funds. In 1995, these non-profits contributed approximately $16 million dollars to national parks throughout the nation. However, even this impressive figure is only scratching the surface of the National Park Services needs.

''The National Park Service was created in 1916, with a mandate to manage the national parks in such a manner . . . as will leave them unimpaired for the enjoyment of future generations.'' As financial pressures have mounted, it has become increasingly difficult for the parks to fulfill this mission.

I believe that passage of the National Parks Capital Improvements Act, will help parks such as the Grand Canyon, fulfill their mission to protect our national treasures for present and future generations.

Thank you for your efforts to preserve and protect our natural heritage.

Sincerely,

KIM M. EVANS,
Executive Director.

ENVIRONMENTAL DEFENSE FUND,
Boulder, CO, February 9, 1997.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: In a recent report, the General Accounting Office told the United States Congress that ''the national park system is at a crossroads.'' The General Accounting Office confirmed what many of us have known for some time: while the national park system is growing and visitation is increasing, the resources available to manage and protect these resources are falling far short of what is needed to preserve America's natural and historical heritage. As a result, the backlog of repairs and maintenance needed throughout the national park system has grown to $4 billion.

Last year, you proposed legislation that would have authorized a limited number of not-for-profit entities to issue taxable bonds, the proceeds of which would have been used to make critically needed investment in units of the national park system. Without creative and innovative approaches such as this, we very likely will never close the gap between the financial resources that are needed to manage and protect our national park system, and the resources that are available.

I understand that you plan to introduce a similar bill in the 105th Congress, and I am writing to offer the Environmental Defense Fund's support for this undertaking. While no one piece of legislation will solve all of the problems confronted by the national park system, your legislation is a big step in the right direction.

I look forward to working with you as your proposal works its way through the legislative process.

Respectfully,

JAMES B. MARTIN,
Senior Attorney.●

By Mr. CHAFEE (for himself, Mr. ROCKEFELLER, Mr. FRIST, Mr. JEFFORDS, and Ms. COLLINS):

S. 302. A bill to amend title XVIII of the Social Security Act to provide additional consumer protections for Medicare supplemental insurance; to the Committee on Finance.

THE MEDIGAP PORTABILITY ACT OF 1997

Mr. CHAFEE. Mr. President. Last year, the President signed into law bipartisan legislation that provides greater portability of health insurance for working Americans. Today, I join with my colleagues, Senator ROCKEFELLER, Senator FRIST, Senator JEFFORDS, and Senator COLLINS, in the introduction of a bipartisan bill that will provide some of the same guarantees for Medicare beneficiaries who buy Medicare supplemental insurance or MediGap policies.

Of the 38 million Medicare beneficiaries, about 80 percent, or 31 million, have some form of Medicare supplemental insurance, whether covered through an employer-sponsored health plan, Medicaid or another public program, or a private MediGap policy. Our bill does several important things for Medicare beneficiaries who have had continuous coverage:

First, it guarantees that if their plan goes out of business or the beneficiary moves out of a plan service area, he or she can buy another comparable policy. These rules also would apply to a senior who has had coverage under a retiree health plan or Medicare Select if their plan goes out of business.

Second, it encourages beneficiaries to enroll in Medicare managed care by guaranteeing that they can return to Medicare fee-for-service and, during the first year of enrollment, get back their same MediGap policy if they decide they do not like managed care. Under current law, if a senior wishes to enroll in a Medicare managed care plan, he or she has two options. The MediGap policy may be dropped if the senior chooses a managed care program, or the individual can continue to pay MediGap premiums in the event that the policy is needed again some day—a very costly option for those on fixed incomes. Many seniors fear that if they lose their supplemental policy after entering a managed care plan, it may be financially impossible for them to reenroll in MediGap.

Third, it bans preexisting condition exclusion periods for Medicare beneficiaries who obtain MediGap policies when they are first eligible for Medicare. Under current law, any time insurers sell a MediGap policy, they can limit or exclude coverage for services related to preexisting health conditions for a 6-month period.

Fourth, it establishes a guaranteed open enrollment period for those under

65 who become Medicare beneficiaries because they are disabled. Under current Federal law, Medicare beneficiaries are offered a 6-month open enrollment period only if they are 65. There are approximately 5 million Americans who are under 65 years of age and are enrolled in the Medicare program. Currently, they do not have access to MediGap policies unless State laws require insurers to offer policies to them. Our bill provides for a one-time open enrollment period for the current Medicare disabled, which will guarantee access to all MediGap plan options for almost 5 million disabled Americans.

It is true that this bill does not go as far as some would like. Our bill leaves to the states more controversial issues, such as continuous open enrollment and community rating of MediGap premiums. I believe, however, that this legislation will provide seniors similar guarantees to those that we provided to working Americans under the Kassebaum-Kennedy legislation.

Mr. FRIST. Mr. President, I rise to speak in support of the MediGap Portability Act of 1997. The importance of this legislation is best expressed by the many stories of individuals who have unsuccessfully tried to obtain adequate Medicare supplemental coverage. Therefore, I would like to share with you the experience of one of my constituents—Gary Purcell, a 60-year-old retired professor from the University of Tennessee.

To say the least, Dr. Purcell's health status has been a challenge for him. Despite a history of multiple illnesses including lupus, hypertension, diabetes, severe heart and kidney disease, and recurrent life-threatening skin infections, this man kept working. Even after suffering a stroke, he kept working. Dr. Purcell fought to remain productive, but as his condition deteriorated, he was forced to retire on disability. He subsequently developed prostate cancer and recently suffered an amputation of the left leg.

One day last fall, he received a letter saying he was eligible for Medicare due to disability. In fact, the situation was a little more complicated than that. Since he had not yet reached his 65th birthday, Dr. Purcell was actually being reassigned to Medicare, thus losing his private health insurance coverage. Due to the fact he is eligible for Medicare because of disability and not age, and because of preexisting medical conditions, Dr. Purcell could not obtain MediGap coverage and he had no other insurance options. As a result, he will incur high out-of-pocket costs to fill the many gaps in Medicare's coverage. Although Dr. Purcell will be eligible for supplemental coverage at age 65, 5 years from now, until then he will have to spend $500 per month or 25 percent of his income on medications to make up for what Medicare does not cover.

Dr. Purcell explored other options—ways of obtaining less expensive drugs, but the bottom line is, he will still have to pay massive sums of money for his medications, money which he does not have. Unfortunately, his situation is not unique. Many seniors, as well as other individuals with disabilities, are suffering as well.

How did this happen? What is the real issue? MediGap insurance policies offer coverage for Medicare's deductibles and coinsurance and pay for many services not covered by Medicare. However, for several reasons, the current MediGap laws do not always meet the needs of Medicare beneficiaries—especially individuals with disabilities.

First, under current law, individuals with disabilities who qualify for full Medicare benefits before the age of 65 must wait to purchase MediGap coverage until they reach that age. At that time, they are given a 6-month period of open enrollment. This means that unlike the elderly, they cannot obtain MediGap insurance when they become eligible for Medicare.

Second, even when obtainable, MediGap coverage may be limited. During the open enrollment period, insurers may not use a preexisting condition to refuse a policy for an individual. However, coverage for a specific preexisting condition can be delayed for up to 6 months. This is called underwriting. Even though alternative policies which do not use the underwriting process are available, they do not necessarily offer comparable coverage. Further, Federal law does not guarantee that these alternatives will continue in the future. Thus, individuals with disabilities on Medicare may not receive the same choices of MediGap plans as their senior counterparts.

Third, such stringent requirements hinder the efforts of seniors who wish to try a Medicare managed care option. They are afraid of not being able to receive comparable supplemental coverage should they decide to return to the traditional fee-for-service Medicare. Accordingly, they do not take the risk of changing. This is perhaps one reason that enrollment in Medicare managed care lags far behind the rest of the population. We must encourage this transition if we are to slow the growth of Medicare costs.

Fourth, those Medicare beneficiaries whose employer-provided wrap-around plans are reducing or dropping benefits after they become eligible for Medicare will have difficulties purchasing additional coverage.

Finally, we must consider those who have enrolled in Medicare managed care plans which terminate contracts with Medicare or whom move outside the service area of their plan. In these circumstances, beneficiaries often need to return to the traditional Medicare program and may again wish to obtain supplemental coverage.

To summarize, although our current policies may encourage many members of the aging population to obtain continuous coverage, they are deficient in encouraging the same for individuals with disabilities who are unable to obtain supplemental coverage even if they have had continuous insurance coverage. They also limit the choices of seniors who wish to switch plans or whose retiree plans terminate or limit coverage. The situation is simply unfair.

Last fall, the President signed the Health Insurance Portability and Accountability Act of 1996 (the ''Kassebaum-Kennedy'' bill) which addressed health insurance portability for the small group market. The Medigap Portability Act addresses similar issues for seniors and individuals with disabilities.

First, seniors will now have more choices than were available before. They will be able to explore the managed care options now available, yet still return to their original Medigap plans if they change their minds.

Second, if their retiree health plans terminate or substantially reduce benefits, seniors will still have access to supplemental health insurance without regard to previous health status.

Finally, if their insurance plans should go out of business, seniors will still have Medigap options.

In other words, it guarantees choice and security for senior citizens on Medicare.

In addition, the bill guarantees access to the same coverage available to seniors for individuals with disabilities in three ways:

First, it insures that anyone will be able to enroll in a Medigap plan of their choosing without discrimination during the first 6 months of their eligibility for full Medicare benefits, regardless of age.

Second, the bill guarantees that the disabled will still have the same access to the array of Medigap choices that are available to seniors after the enrollment period ends, although restrictions may apply.

And, third, individuals with disabilities who are currently enrolled in the Medicare program will have a one-time open enrollment period to guarantee their access to all Medigap plan options.

Dr. Purcell is a responsible middle income American who fell through the safety net. He lost both rights and choices. In his own words, ''I find it so frustrating that I had really planned for the retirement period and had tried to prepare myself as prudently as possible * * * Yet, I had no idea that my comprehensive coverage would cease after only 2 years. Even though I have always done my best to be a good worker and to provide for my family, the rug was pulled out from under me anyway. I feel so helpless.''

Dr. Purcell went on to say, ''I thought the issue through and tried to determine where I might have the most impact just as one person * * * I felt that my best option was to go to the people who represent me * * * in the national legislature.''

Dr. Purcell and the 4 million other disabled Americans he represents have legitimate concerns. So do the 34 million senior citizens who are also affected by this issue. They are only asking for the same rights given to working Americans. They are coming to us, their elected representatives, for help. Mr. President, I challenge my colleagues and the insurance industry to respond to these beneficiaries. This bill will provide freedom of choice for seniors and individuals with disabilities. It is a step forward in our battle to improve health care access for all of our citizens and I give it my full support.

Mr. ROCKEFELLER. Mr. President, I am pleased to be reintroducing a bill with my colleague from Rhode Island, Senator CHAFEE, to improve the security and protection of Medicare supplemental policies, so-called MediGap policies. I am especially pleased that Senator JEFFORDS, both the new chairman of the Labor and Human Resources Committee and one of the newest members of the Finance Committee, Senator FRIST, and Senator COLLINS have joined us this year as original cosponsors of our legislation. And I continue to be pleased that similar legislation has been introduced in the House of Representatives by the bipartisan team of Representatives NANCY JOHNSON and JOHN DINGELL.

When enacted, our bipartisan, bicameral bill will make MediGap policies more portable, more reliable, and more accessible for almost 40 million Medicare beneficiaries, including 5 million disabled Medicare beneficiaries.

Last year, when we introduced this bill, we were not terribly optimistic that it would get enacted before the end of the 104th Congress. But we put forward our legislation anyway to share our proposal and objectives, begin building momentum for changes we feel are necessary, and to preview the fact that we would be back in the 105th Congress with a concerted effort to make this a legislative priority. As it turns out, having identified MediGap improvements as an area of bipartisan concern, President Clinton has responded directly by adding the same goal of new MediGap protections as a priority he shares and included it in his recently submitted budget proposal. We are very happy that our bipartisan support for improved MediGap protections got noticed by the President and will be pursued by his administration in the upcoming budget process.

Mr. President, too many Americans are falling through the gaps in our health care system. For example, consider the situation of a 44-year-old disabled man from Capon Bridge, WV. He earns too much money to qualify for Medicaid and is unable to buy a private MediGap policy because of his medical condition. And, there is the 47-year-old woman from Slanesville, WV, who is in a similar situation. She was uninsured before qualifying for Medicare because of kidney disease. She and her husband have too many assets to qualify for Medicaid and they can't afford the $300-a-month health insurance policy offered by her husband's employer. They have not been able to find an insurer willing to sell them a MediGap policy to help with Medicare's hefty cost-sharing requirements. A MediGap policy would be more affordable for them than the insurance policy offered by her husband's employer which duplicates, rather than supplements, Medicare's benefits. Many of the 50,000 disabled West Virginians who qualify for Medicare are in a similar situation. This is wrong and we can do better.

Mr. President, almost 8 in 10 older Americans have opted to purchase policies through private insurance companies to fill gaps in their Medicare benefits. This MediGap insurance commonly covers the $756 deductible required for each hospital stay, the part B deductible for doctor visits and doctor copayments. MediGap policies also cover copayments for nursing home care, extended rehabilitation, or for emergency care received abroad. Some MediGap policies cover prescription drugs.

But even MediGap policies have gaps because of insurance underwriting practices which prevent beneficiaries from switching MediGap insurers or, as in the case of the Medicare disabled, from even initially purchasing MediGap protection.

Employers, looking to lower their health care costs, are increasingly cutting back on retiree health benefits. In just 2 years, employer-sponsored retiree health benefits has dropped by 5 percent. These retirees are forced to go out on the private market and purchase individual MediGap coverage. Those lucky enough to find insurance will find their coverage compromised by preexisting condition limitations. Some won't find an insurer willing to sell them a policy at any price.

In 1990, I worked with Senator CHAFEE, the minority leader, Senator DASCHLE, and the then-chairman of the Finance Committee, Senator Bentsen, On enacting a number of measures to improve the value of MediGap policies. We also successfully enacted legislation that standardized MediGap policies so that seniors could more easily compare the prices and benefits provided by MediGap insurers.

At that time, Congress also mandated that insurers must sell a MediGap policy to any senior wishing to buy coverage when that person first becomes eligible for Medicare, without being subject to medical underwriting. At the time, there was a worry that including the Medicare disabled population in this open enrollment period would escalate premiums for current MediGap policyholders. As a result, the disabled were not included in this guaranteed issue requirement. Since then, 12 States have moved ahead and required insurers to issue policies to all Medicare beneficiaries in their States, including the disabled. To my knowledge, not one State has reported large hikes in premiums as a result of their new laws.

We have also asked the American Academy of Actuaries for an independent analysis of our legislation. We are confident that their evaluation of our bill will lay to rest any concerns about wild hikes in MediGap premiums because of our provision to end the current law discrimination against the disabled.

Mr. President, our bill would protect all Medicare beneficiaries by guaranteeing them MediGap coverage if they are forced to change their MediGap insurer, or if their employer stops providing retiree health benefits. Specifically, our bill would require MediGap insurers to sell Medicare beneficiaries a new MediGap policy without any preexisting condition limitations if an individual moves outside the State in which the insurer is licensed, or the health plan goes out of business; if an individual loses their employer-sponsored retiree health benefits; if an individual enrolled in a health maintenance organization [HMO] or Medicare Select policy moves outside of a health plan's service area, or if the HMO's contract is canceled; or if an individual enrolled in a HMO or a Medicare Select policy decides during their first 12 months of enrollment to return to a MediGap fee-for-service policy.

Mr. President, our bill gives Medicare beneficiaries an opportunity to try out a managed care plan without worrying about losing their option to return to fee-for-service medicine. Understandably, many seniors worry about enrolling in a managed care organization if it means losing access to their lifelong doctor. Our bill would encourage Medicare beneficiaries to try out a managed care plan to see if it suits them, but our bill gives them a way back to fee-for-service medicine, if that ends up being their personal preference.

Our legislation bans insurance companies from imposing any preexisting condition limitation during the 6-month open enrollment period for MediGap insurance when a person first qualifies for Medicare. This change from current law makes the rules for MediGap policies consistent with the recently enacted Kassebaum-Kennedy bill for the under-65 population, and with Medicare coverage which begins immediately, regardless of any preexisting conditions.

Mr. President, our bill also includes a section to help seniors choose the right health plan for them by ensuring that they get good information on what plans are available in their area. It allows them to compare different health plans based on results of consumer satisfaction surveys, and will include information on benefits and costs.

Our bill does not directly address affordability. And, even since we introduced our original bill last September, there is growing evidence that MediGap premiums are skyrocketing. I am hopeful that the Finance Committee will take a closer look at this issue

during its deliberations on other Medicare reform initiatives. Between 1995 and 1996, large numbers of seniors received double-digit increases in their MediGap premiums. These increases were far in excess of Social Security cost-of-living increases and varied dramatically across States. In my own State of West Virginia, MediGap policies sold by the Prudential Insurance Co. increased by 17 percent between 1995 and 1996. In Ohio, premiums increased by 30 percent and in California by 37 percent.

Congress has considerable history in trying to guarantee at least a minimal level of value across all MediGap policies. Under the current law, individual and group MediGap policies must spend at least 65 and 75 percent, respectively, of all premium dollars collected, on benefits. If a MediGap plan fails to meet these minimum loss ratios, they must issue refunds or credits to their customers.

Mr. President, while Federal loss ratio standards help assure a minimum level of value, they do not prevent insurance companies from annually upping premiums as a senior ages. This practice, known as attained age-rating, results in the frailest and the lowest income seniors facing large, annual premium hikes as they age. I would hope that more States would follow the lead of the 10 States that have already banned attained age-rating. This would vastly improve the affordability of MediGap for the oldest and frailest of our seniors.

Mr. President, to repeat what I said last year, our bill is a targeted, modest, proposal. But it would provide very real and very significant help to millions of Medicare beneficiaries who, year in and year out, pay out billions of dollars in premiums to have peace of mind when it comes to the cost of their health care. It is wrong and unfair when senior and disabled citizens in West Virginia and across the country are suddenly dropped by insurers or denied a MediGap policy just because they move to another State, or their employer cuts back on promised retiree health benefits, or because they're disabled.

Mr. President, it is always a pleasure to be working on legislation with the Senator from Rhode Island. Senator CHAFEE has a long, impressive, and, more important, successful record in enacting legislation that has helped millions of seniors, children, and disabled. I urge my colleagues to join Senators JEFFORDS, FRIST, and COLLINS in cosponsoring this bill, and to help us extend more of the health care peace of mind that older and disabled Americans ask for and deserve.

By Mr. ABRAHAM (for himself and Mr. LEVIN):

S. 303. A bill to waive temporarily the Medicare enrollment composition rules for the Wellness Plan; to the Committee on Finance.

MEDICARE WAIVER FOR THE WELLNESS PLAN OF DETROIT, MI

Mr. ABRAHAM. Mr. President, at the end of the last Congress I expressed my disappointment at the unwillingness of this body and the other Chamber to move legislation that I believe is important to the health care of the people of Michigan. Today I rise along with my colleague from Michigan, Senator LEVIN, to reintroduce our legislation providing a Medicare 50/50 enrollment composition rule waiver for the Wellness Plan of Detroit, MI.

The Wellness Plan is a federally certified Medicaid health maintenance organization located in Detroit, MI. It has approximately 150,000 enrollees—roughly 140,000 of whom are Medicaid, while only about 2,000 are Medicare beneficiaries. Since 1993, the Wellness Plan has had a health care prepayment plan contract with Medicare. However, technical changes enacted by Congress effective January 1, 1996, unintentionally prevent the Wellness Plan from enrolling additional Medicare beneficiaries under the HCPP contract. So the Wellness Plan is positioned to become a full Medicare risk contractor, it currently is precluded from doing so due to the 50/50 Medicare enrollment composition rule.

Mr. President, it is important to note that even the Health Care Financing Administration has supported the Wellness Plan receiving this plan-specific 50/50 waiver. We also expect a companion bill to be introduced in the other Chamber shortly, and we expect it to be cosponsored by the entire Michigan delegation.

Because this legislation is essentially noncontroversial, affects only the State of Michigan, and is supported by the entire State delegation, it is our earnest hope that the Senate will act on this measure as expeditiously as possible. There is no rational justification for preventing the Wellness Plan from enrolling new Medicare beneficiaries into its health plan. If our goal is to allow a wider variety of options and choices of health care plans for our seniors, a good place to start is to allow those Michigan residents who wish to join this particular health maintenance organization to be able to do so.

Mr. President, I wish to thank my friend and colleague from Michigan, Senator CARL LEVIN, for once again supporting and helping me with this effort. I look forward to working with him to see that this measure which has such broad support in Michigan becomes enacted in the very near future.

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. 203

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

SECTION 1. WAIVER OF MEDICARE ENROLLMENT COMPOSITION RULES FOR THE WELLNESS PLAN.

The requirements of section 1876(f)(1) of the Social Security Act (42 U.S.C. 1395mm(f)(1)) are waived with respect to Comprehensive Health Services, Inc. (doing business as The Wellness Plan) for contract periods through December 31, 2000.

● Mr. LEVIN. Mr. President, today I am joining with my colleague Senator ABRAHAM in introducing legislation that would provide the Wellness Plan of Michigan with a Medicare 50/50 enrollment composition rule waiver. I was disappointed that Congress did not enact this waiver last session as the Wellness Plan is the prototype for the type of health maintenance organization into which many Medicare beneficiaries will want to enroll. It is my hope that the Senate will act expeditiously on this legislation so that Michigan Medicare beneficiaries may have the opportunity to enroll in this well-established, quality plan.●

ADDITIONAL COSPONSORS

S. 206

At the request of Mr. REID, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 206, a bill to prohibit the application of the Religious Freedom Restoration Act of 1993, or any amendment made by such act, to an individual who is incarcerated in a Federal, State, or local correctional, detention, or penal facility, and for other purposes.

S. 251

At the request of Mr. SHELBY, the name of the Senator from Nebraska [Mr. HAGEL] was added as a cosponsor of S. 251, a bill to amend the Internal Revenue Code of 1986 to allow farmers to income average over 2 years.

S. 277

At the request of Mr. COCHRAN, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 277, a bill to amend the Agricultural Adjustment Act to restore the effectiveness of certain provisions regulating Federal milk marketing orders.

S. 294

At the request of Mrs. HUTCHISON, the names of the Senator from Arizona [Mr. MCCAIN], the Senator from Missouri [Mr. ASHCROFT], the Senator from Alaska [Mr. STEVENS], the Senator from New Hampshire [Mr. SMITH], and the Senator from North Carolina [Mr. FAIRCLOTH] were added as cosponsors of S. 294, a bill to amend chapter 51 of title 18, United States Code, to establish Federal penalties for the killing or attempted killing of a law enforcement officer of the District of Columbia, and for other purposes.

SENATE RESOLUTION 52—CONCERNING THE NEED TO ADDRESS THE CURRENT MILK CRISIS

Mr. SPECTER (for himself, Mr. SANTORUM, Mr. FEINGOLD, Mr. KOHL,