

authority of the Committee on Governmental Affairs under the Senate Rules or section 13(d) of this resolution.

#### MORNING BUSINESS

Mr. WARNER. Mr. President, I ask unanimous consent that the Senate go into a period of morning business for not to exceed 5 minutes for each Senator.

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

#### THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, March 7, the Federal debt stood at \$5,353,405,261,722.26.

One year ago, March 7, 1996, the Federal debt stood at \$5,017,741,000,000.

Twenty-five years ago, March 7, 1972, the Federal debt stood at \$427,832,000,000 which reflects a debt increase of nearly \$5 trillion (\$4,925,573,261,722.26) during the past 25 years.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted on March 6, 1997:

By Mr. WARNER, from the Committee on Rules and Administration, with an amendment in the nature of a substitute:

S. Res. 39: An original resolution authorizing expenditures by the Committee on Governmental Affairs.

By Mr. HATCH, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 56: A resolution designating March 25, 1997 as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

S. Res. 60: A resolution to commend students who have participated in the William Randolph Hearst Foundation Senate Youth Program between 1962 and 1997.

The following report of committee was submitted on March 10, 1997:

By Mr. THOMPSON, from the Committee on Governmental Affairs:

Report to accompany the resolutions (S. Res. 39) authorizing expenditures by the Committee on Governmental Affairs (Rpt. 105-7).

#### 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. LAUTENBERG (for himself and Mr. DEWINE):

S. 412. A bill to provide for a national standard to prohibit the operation of motor vehicles by intoxicated individuals; to the Committee on Environment and Public Works.

By Mrs. HUTCHISON:

S. 413. A bill to amend the Food Stamp Act of 1977 to require States to verify that prisoners are not receiving food stamps; to the Committee on Agriculture, Nutrition, and Forestry.

By Mrs. HUTCHISON (for herself, Mr. LOTT, Mr. BREAU, and Mr. GORTON):

S. 414. A bill to amend the Shipping Act of 1984 to encourage competition in inter-

national shipping and growth of United States imports and exports, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BAUCUS (for himself, Mr. GRASSLEY, Mr. ROCKEFELLER, and Mr. THOMAS):

S. 415. A bill to amend the medicare program under title XVIII of the Social Security Act to improve rural health services, and for other purposes; to the Committee on Finance.

By Mr. MURKOWSKI:

S. 416. A bill to amend the Energy Policy and Conservation Act to extend the expiration dates of existing authorities and enhance U.S. participation in the energy emergency program of the International Energy Agency; to the Committee on Energy and Natural Resources.

S. 417. A bill to extend energy conservation programs under the Energy Policy and Conservation Act through September 30, 2002; to the Committee on Energy and Natural Resources.

By Mr. WARNER:

S. 418. A bill to close the Lorton Correctional Complex, to prohibit the incarceration of individuals convicted of felonies under the laws of the District of Columbia in facilities of the District of Columbia Department of Corrections, and for other purposes; to the Committee on the Judiciary.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. FORD:

S. Res. 62. An executive resolution expressing the sense of the Senate regarding a declaration to resolution of ratification of the Chemical Weapons Convention; to the Committee on Foreign Relations.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LAUTENBERG (for himself and Mr. DEWINE):

S. 412. A bill to provide for a national standard to prohibit the operation of motor vehicles by intoxicated individuals; to the Committee on Environment and Public Works.

##### THE SAFE AND SOBER STREETS ACT

• Mr. LAUTENBERG. Mr. President, I introduce a bill that, if enacted, will go a long way toward reducing the deadly combination of drinking and driving. I am proud to stand with Senator MIKE DEWINE of Ohio in introducing this bill. The Safe and Sober Streets Act of 1997 sets a national illegal blood alcohol content [BAC] limit of .08 percent for drivers over 21 years of age. The bill gives States that have a limit above .08 BAC, 3 years to adopt .08 laws. States that fail to enact this limit will have a percentage of their highway construction funds withheld.

Mr. President, drunk driving continues to be a national scourge that imposes tremendous suffering on the victims of drunk driving accidents and their loved ones. In 1995, drunk driving increased for the first time in a decade. That year, 17,274 people were killed in alcohol-related crashes. Every one of

those deaths could have been prevented, had the driver decided to call for a ride, handed the keys to a friend, or did anything other than taking the wheel.

Every 30 minutes someone in America—a mother, husband, child, grandchild, brother, sister—dies in an alcohol-related crash. The numbers are increasing. Our highways are turning into death traps and our concrete clover leaves into killing fields.

Mr. President, we have made progress over the past few decades in the fight against drunk driving. In 1982, 53 percent of motor vehicle fatalities involved alcohol; today, alcohol-involved motor vehicle crashes is 40.5 percent. In 1984, I authored the bill that President Ronald Reagan signed into law to increase the drinking age to 21. Since 1975, 21 drinking age laws have saved roughly 15,700 lives. And, 2 years ago, Congress passed and President Clinton signed into law a zero tolerance bill with sanctions, making it illegal for drivers under 21 years of age to drive with any amount of alcohol in their system.

While that shows promise, we know we must do more—17,274 lives lost is 17,274 too many. Instituting a national standard for impaired driving at .08 BAC is the next logical step in the fight against drunk driving.

There are those who ask why the standard for impaired driving should be .08 BAC. But I think the better question is: why should the standard be as high as .10? We know that any amount of alcohol affects motor skills and driving behavior to some degree. A 1991 study by the Insurance Institute for Highway Safety indicates that each .02 increase in the BAC of a driver with nonzero BAC, nearly doubles the risk of being in a fatal crash. This means that the risk a driver faces begins much earlier than when his or her blood alcohol content is at .10 or .08, after the first or second drink. In fact, the National Highway Traffic Safety Administration [NHTSA] reports that in single vehicle crashes, the relative fatality risk of drivers with BAC's of .05 and .09 is over 11 times greater than for drivers with a BAC of zero.

Mr. President, .08 BAC is not an insignificant level. A 170 lb. male must consume four and a half drinks in 1 hour on an empty stomach to reach .08 BAC. This is not social drinking. While most States have .10 BAC as their legal limit, it is actually at .08 BAC where driving skills are seriously compromised. At that level, the vast majority of drivers are impaired when it comes to critical driving tasks. Braking, steering, speed control, lane changing, and divided attention are all compromised at .08 BAC.

Thirteen States have .08 BAC limits, and many industrialized countries have .08 BAC limits or lower. Canada, Great Britain, Austria, and Switzerland have .08 BAC limits. France and The Netherlands have a .05 BAC limit. They adopted these laws because they know that

they work. They work for these reasons:

First, .08 BAC laws have proven to reduce crashes and fatalities. Most States that have adopted the .08 BAC level have found a measurable drop in impaired driving crashes and fatalities. A study conducted by Ralph Hingson, ScD. and published in the American Journal of Public Health showed that those States that adopted .08 BAC laws experienced a 16-percent decline in the proportion of fatal crashes involving fatally injured drivers whose BAC were .08 or higher. And, those same States experienced an 18-percent decline in the proportion of fatal crashes involving drivers whose BAC was .15 or higher. That means that not only did the rates decrease for overall drinking and driving, but also for drivers who were extremely impaired. This same study concluded that if .08 BAC were adopted nationwide, 500 to 600 lives would be saved annually. That alone should be enough to convince all of us that this should be a national standard.

Second, .08 BAC laws deter driving after drinking. Crash statistics show that even heavy drinkers, who account for a high percentage of DWI arrests, are less likely to drink and drive because of the general deterrent effect of the .08 BAC.

All of these facts, Mr. President, show us that .08 BAC needs to be a national standard, not just an option. Different standards lead to different perceptions, and in this case these differences can be deadly. In regions with high interstate traffic, a driver should not be considered "impaired" in one State, and then is legally sober by simply crossing a border. Pedestrians, passengers, and safe drivers should be protected no matter in which part of our nation they are.

Mr. President, we know that .08 BAC laws work. We know that .08 BAC saves lives. It is incumbent upon us to make sure that .08 BAC laws are adopted. That's why my bill gives States 3 years to adopt .08 BAC laws. If a State does not meet that deadline, the Secretary of Transportation will withhold 5 percent of a State's total Interstate Maintenance, National Highway System, and Surface Transportation Program funding combined in fiscal year 2001, and 10 percent for each year thereafter until that State adopts the .08 BAC limit.

Mr. President, sanctions work. While incentive grant programs allow States to decide whether to pass laws on their own, they are notoriously underfunded and States pay little attention. Since the inclusion of the .08 BAC limit as an incentive criteria, only seven States have passed laws due to that incentive. The Federal Government has a role to play to ensure that our highways and roads are safe, and that drunk driving is decreased. The public is on our side. We must not back down.

Mr. President, .08 BAC limits save lives. This bill, if enacted into law, will work. I urge all my colleagues to join

in the fight to decrease drunk driving, to make our roadways safer, and most important, to provide comfort to those victims of drunk driving and their families that the Federal Government stands behind them in the memories of their loved ones.

Mr. DEWINE. Mr. President, according to the National Highway Traffic Safety Administration, there were 17,274 alcohol-related traffic fatalities in 1995. Each year, 1 million people are injured in alcohol-related traffic crashes. Alcohol is the single greatest factor in motor vehicle deaths and injuries.

It is estimated that alcohol-related crashes cost society over \$45 billion every year, when you count up items like emergency and acute health care costs, long-term care and rehabilitation, police and judicial services, insurance, disability and workers' compensation, lost productivity, and social services for those who cannot return to work and support their families. Just one alcohol-related fatality is estimated to cost society \$950,000. The cost of each alcohol-related injury averages \$20,000.

#### FIXING THE PROBLEM

The legislation we are introducing today would enact nationally a strategy that has been proven to work against alcohol-impaired driving—making it per se illegal to have a .08 level of blood alcohol content [BAC] when driving.

An illegal per se law makes it illegal in and of itself to drive with an alcohol concentration measured at or above the established legal level. Forty-eight States have established a per se law. Thirty-five States have established per se laws at .10 BAC. Thirteen others have established the law at .08 BAC.

Virtually all drivers are substantially impaired at .08 BAC. Laboratory and on-road tests show that the vast majority of drivers, even experienced drivers, are significantly impaired at .08 BAC with regard to critical driving tasks such as braking, steering, lane changing, judgment, and divided attention. The risk of being in a crash rises with each BAC level, but rises very rapidly after a driver reaches or exceeds .08 compared to drivers with no alcohol in their systems. The National Highway Traffic Safety Administration has concluded that in single-vehicle crashes, the relative risk for drivers with BAC's between .05 and .09 is over 11 times greater than for drivers with no alcohol in their systems.

The .08 laws reduce the incidence of impaired driving at .08. However, they reduce even more the incidence of impaired driving at high BAC's over .15.

Most States with a .08 law have found that it has helped decrease the incidence of alcohol-related fatalities. In California, NHTSA found that the State experienced a 12-percent reduction in alcohol-related fatalities. A recent study conducted by a professor at Boston University compared the first five States to lower their BAC limit with five nearby States with a .10

limit. Overall, the .08 States experienced a 16 percent reduction in the proportion of fatal crashes with a fatally injured driver whose BAC was .08 or higher, as well as an 18 percent reduction in crashes where the fatally injured driver's BAC was .15 or higher. The study concluded that if all States lowered their BAC limits to .08, alcohol-related highway deaths would decrease by 500–600 per year.

Furthermore, .08 laws make it easier to arrest and convict drivers with BAC's of .10 or .11 because these are no longer borderline cases.

Laws establishing a .08 per se limit serve as a powerful deterrent to drinking and driving—sending a message that the State is getting tougher on drunk driving, and making people think twice about getting behind the wheel. I strongly support this legislation.

By Mrs. HUTCHISON (for herself,  
Mr. LOTT, Mr. BREAUX and Mr.  
GORTON):

S. 414. A bill to amend the Shipping Act of 1984 to encourage competition in international shipping and growth of U.S. imports and exports, and for other purposes; to the Committee on Commerce, Science, and Transportation.

#### THE OCEAN SHIPPING REFORM ACT OF 1997

Mrs. HUTCHISON. Mr. President, last Congress, we made substantial progress toward enacting ocean shipping reform. The House passed a bill and, under the leadership of Senators LOTT and PRESSLER, we in the Senate were presented with a very workable framework for ocean shipping reform. I am pleased to make it the framework upon which we base the bill which Senators LOTT, GORTON, BREAUX, and I are introducing today. It is my hope that we can develop the consensus necessary to pass this measure in a timely way.

The next step in this process is the hearing later this month before the Surface Transportation and Merchant Marine Subcommittee, which I chair. I am looking forward to hearing from those who will be impacted by our legislative efforts. Ninety-five percent of U.S. foreign commerce is transported via ocean shipping. Half of this trade, which is carried by container liner vessels with scheduled service and is regulated under the Shipping Act of 1984, is affected by these reforms.

This legislation represents an important opportunity to ease the hand of regulation on a significant sector of commerce, and eliminate a regulatory agency altogether. Our bill terminates the Federal Maritime Commission and consolidates remaining maritime regulatory responsibilities into a renamed Surface Transportation Board. Thus, we will eliminate one regulatory agency and improve another by making its mission more reflective of the shipping world where commerce moves intermodally—over rail, road, and ocean.

This bill allows for greater flexibility in service contracting by shippers and

ocean common carriers, which will permit freight to move at the most competitive prices while we continue to protect against discriminatory practices. To this end, we continue to require a form of tariff publication. However, it is much more flexible than current tariff filing. Tariffs become effective upon publication through a private system, not the Government, and tariff changes do not require Government approval. This puts the maritime industry on similar footing as other transportation industries which we have de-regulated in recent years, providing carriers with much greater rate flexibility. At the same time, we preserve protections required to counter the effects of ocean carrier antitrust immunity and foreign carrier involvement in this segment of commerce.

I look forward to working with colleagues on both sides of the aisle to pass this important legislation.

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. 414

*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 "Ocean Shipping Reform Act of 1997".

#### SEC. 2. EFFECTIVE DATE.

Except as otherwise expressly provided in this Act, this Act and the amendments made by this Act take effect on March 1, 1998.

#### TITLE I—AMENDMENTS TO THE SHIPPING ACT OF 1984

##### SEC. 101. PURPOSE.

Section 2 of the Shipping Act of 1984 (46 U.S.C. App. 1701) is amended by—

(1) striking "and" after the semicolon in paragraph (2);

(2) striking "needs," in paragraph (3) and inserting "needs; and"; and

(3) adding at the end thereof the following:

"(4) to promote the growth and development of United States exports through competitive and efficient ocean transportation and by placing a greater reliance on the marketplace."

##### SEC. 102. DEFINITIONS.

(a) IN GENERAL.—Section 3 of the Shipping Act of 1984 (46 U.S.C. App. 1702) is amended by—

(1) striking paragraph (5) and redesignating paragraph (4) as paragraph (5);

(2) inserting after paragraph (3) the following:

"(4) 'Board' means the Intermodal Transportation Board.;"

(3) striking "the government under whose registry the vessels of the carrier operate;" in paragraph (8) and inserting "a government.;"

(4) striking paragraph (9) and inserting the following:

"(9) 'deferred rebate' means a return by a common carrier of any portion of freight money to a shipper as a consideration for that shipper giving all, or any portion, of its shipments to that or any other common carrier over a fixed period of time, the payment of which is deferred beyond the completion of service for which it is paid, and is made only if the shipper has agreed to make a further shipment or shipments with that or any other common carrier.;"

(5) striking "in an unfinished or semi-finished state that require special handling moving in lot sizes too large for a container" in paragraph (11);

(6) striking "paper board in rolls, and paper in rolls." in paragraph (11) and inserting "paper and paper board in rolls or in pallet or skid-sized sheets.;"

(7) striking "conference, other than a service contract or contract based upon time-volume rates," in paragraph (14) and inserting "conference";

(8) striking "conference." in paragraph (14) and inserting "conference and the contract provides for a deferred rebate arrangement.;"

(9) striking "carrier." in paragraph (15) and inserting "carrier, or in connection with a common carrier and a water carrier subject to subchapter II of chapter 135 of title 49, United States Code.;"

(10) striking paragraph (17) and redesignating paragraphs (18) through (27) as paragraphs (17) through (26), respectively;

(11) striking paragraph (18), as redesignated, and inserting the following:

"(18) 'ocean freight forwarder' means a person that—

"(A)(i) in the United States, dispatches shipments from the United States via a common carrier and books or otherwise arranges space for those shipments on behalf of shippers; and

"(ii) processes the documentation or performs related activities incident to those shipments; or

"(B) acts as a common carrier that does not operate the vessels by which the ocean transportation is provided, and is a shipper in its relationship with an ocean common carrier.;"

(12) striking paragraph (20), as redesignated and inserting the following:

"(20) 'service contract' means a written contract, other than a bill of lading or a receipt, between one or more shippers and an individual ocean common carrier or an agreement between or among ocean common carriers in which the shipper or shippers makes a commitment to provide a certain volume or portion of cargo over a fixed time period, and the ocean common carrier or the agreement commits to a certain rate or rate schedule and a defined service level, such as assured space, transit time, port rotation, or similar service features. The contract may also specify provisions in the event of non-performance on the part of any party.;"

(13) striking paragraph (22), as redesignated, and inserting the following:

"(22) 'shipper' means—

"(A) a cargo owner;

"(B) the person for whose account the ocean transportation is provided;

"(C) the person to whom delivery is to be made;

"(D) a shippers' association; or

"(E) an ocean freight forwarder, as defined in paragraph (18)(B) of this section, that accepts responsibility for payment of all charges applicable under the tariff or service contract.;"

(b) SPECIAL EFFECTIVE DATE.—The amendments made by subsection (a) take effect on the date of enactment, except that the amendments made by paragraphs (1) and (2) take effect on January 1, 1999.

##### SEC. 103. AGREEMENTS WITHIN THE SCOPE OF THE ACT.

(a) OCEAN COMMON CARRIERS.—Section 4(a) of the Shipping Act of 1984 (46 U.S.C. App. 1703(a)) is amended by—

(1) striking "operators or non-vessel-operating common carriers;" in paragraph (5) and inserting "operators.;"

(2) striking "and" in paragraph (6) and inserting "or"; and

(3) striking paragraph (7) and inserting the following:

"(7) discuss and agree upon any matter related to service contracts.;"

(b) MARINE TERMINAL OPERATORS.—Section 4(b) of that Act (46 U.S.C. App. 1703(b)) is amended by—

(1) striking "(to the extent the agreements involve ocean transportation in the foreign commerce of the United States)"; and

(2) striking "arrangements." in paragraph (2) and inserting "arrangements, to the extent that such agreements involve ocean transportation in the foreign commerce of the United States.;"

##### SEC. 104. AGREEMENTS.

Section 5(b) of the Shipping Act of 1984 (46 U.S.C. App. 1704(b)) is amended by—

(1) striking "and" at the end of paragraph (7);

(2) striking paragraph (8) and inserting the following:

"(8) provide that any member of the conference may take independent action on any rate or service item upon not more than 5 calendar days' notice to the conference and that, except for exempt commodities not published in the conference tariff, the conference will include the new rate or service item in its tariff for use by that member, effective no later than 5 calendar days after receipt of the notice, and by any other member that notifies the conference that it elects to adopt the independent rate or service item on or after its effective date, in lieu of the existing conference tariff provision for that rate or service item; and

"(9) prohibit the conference from—

"(A) prohibiting or restricting the members of the conference from engaging in negotiations for individual service contracts under section 8(c)(3) of this Act with 1 or more shippers;

"(B) requiring a member of the conference to disclose the existence of a confidential individual service contract under section 8(c)(3) of this Act, or a negotiation on an individual service contract under section 8(c)(3) of this Act, except when the conference enters into negotiations with the same shipper; and

"(C) issuing mandatory rules or requirements affecting individual service contracts under section 8(c)(3) of this Act, except as provided in subparagraph (B).

A conference may issue voluntary guidelines relating to the terms and procedures of individual service contracts under section 8(c)(3) of this Act if the guidelines explicitly state the right of members of the conference not to follow the guidelines.;"

##### SEC. 105. EXEMPTION FROM ANTITRUST LAWS.

(a) IN GENERAL.—Section 7 of the Shipping Act of 1984 (46 U.S.C. App. 1706) is amended by—

(1) inserting "or publication" in paragraph (2) of subsection (a) after "filing";

(2) inserting "Federal Maritime" before "Commission" in paragraph (6) of subsection (a);

(3) striking "or" at the end of subsection (b)(2);

(4) striking "States." at the end of subsection (b)(3) and inserting "States; or"; and

(5) adding at the end of subsection (b) the following:

"(4) to any loyalty contract.;"

(b) SPECIAL EFFECTIVE DATE.—The amendments made by subsection (a) take effect on the date of enactment except the amendment made by paragraph (2) of subsection (a) takes effect on January 1, 1999.

##### SEC. 106. TARIFFS.

(a) IN GENERAL.—Subsection (a) of section 8 of the Shipping Act of 1984 (46 U.S.C. App. 1707) is amended by—

(1) inserting "new assembled motor vehicles," after "scrap," in paragraph (1);

(2) striking "file with the Commission, and" in paragraph (1);

(3) striking "inspection," in paragraph (1) and inserting "inspection in an automated tariff system,";

(4) striking "tariff filings" in paragraph (1) and inserting "tariffs";

(5) striking "and" at the end of paragraph (1)(D);

(6) striking "loyalty contract," in paragraph (1)(E);

(7) striking "agreement," in paragraph (1)(E) and inserting "agreement; and";

(8) adding at the end of paragraph (1) the following:

"(F) include copies of any loyalty contract, omitting the shipper's name.;" and

(9) striking paragraph (2) and inserting the following:

"(2) Tariffs shall be made available electronically to any person, without time, quantity, or other limitation, through appropriate access from remote locations, and a reasonable charge may be assessed for such access. No charge may be assessed a Federal agency for such access."

(b) SERVICE CONTRACTS.—Subsection (c) of that section is amended to read as follows:

"(c) SERVICE CONTRACTS.—

"(1) IN GENERAL.—An individual ocean common carrier or an agreement between or among ocean common carriers may enter into a service contract with one or more shippers subject to the requirements of this Act. The exclusive remedy for a breach of a contract entered into under this subsection shall be an action in an appropriate court, unless the parties otherwise agree.

"(2) AGREEMENT SERVICE CONTRACTS.—Except for service contracts dealing with bulk cargo, forest products, recycled metal scrap, new assembled motor vehicles, waste paper, or paper waste, each contract entered into under this subsection by an agreement shall be filed confidentially with the Commission, and at the same time, a concise statement of its essential terms shall be published and made available to the general public in tariff format, and those essential terms shall be available to all shippers similarly situated. The essential terms shall include—

"(A) the origin and destination port ranges in the case of port-to-port movements, and the origin and destination geographic areas in the case of through intermodal movements;

"(B) the commodity or commodities involved;

"(C) the minimum volume;

"(D) the line-haul rate;

"(E) the duration;

"(F) service commitments; and

"(G) the liquidated damages for non-performance, if any.

"(3) INDIVIDUAL SERVICE CONTRACTS.—Notwithstanding subsection (a) of this section and paragraph (2) of this subsection, service contracts entered into under this subsection between 1 or more shippers and an individual ocean common carrier—

"(A) may be made on a confidential basis;

"(B) are not required to be filed with the Commission; and

"(C) shall be retained by the parties to the contract for 3 years subsequent to the expiration of the contract.;"

(c) RATES.—Subsection (d) of that section is amended by—

(1) striking "30 days after filing with the Commission," in the first sentence and inserting "21 calendar days after publication.;"

(2) striking "less than 30" in the next sentence and inserting "less than 21 calendar"; and

(3) striking "publication and filing with the Commission," in the last sentence and inserting "publication.;"

(d) MARINE TERMINAL OPERATOR SCHEDULES.—Subsection (e) of that section is amended to read as follows:

"(e) MARINE TERMINAL OPERATOR SCHEDULES.—A marine terminal operator may make available to the public a schedule of rates, regulations, and practices, including limitations of liability for cargo loss or damage, pertaining to receiving, delivering, handling, or storing property at its marine terminal. Any such schedule made available to the public shall be enforceable as an implied contract, subject to section 10 of this Act, without proof of actual knowledge of its provisions."

(e) AUTOMATED TARIFF SYSTEM REQUIREMENTS; FORM.—Subsection (f) of that section is amended to read as follows:

"(f) REGULATIONS.—The Commission shall by regulation prescribe the requirements for the accessibility and accuracy of automated tariff systems established under this section. The Commission may, after periodic review, prohibit the use of any automated tariff system that fails to meet the requirements established under this section. The Commission may not require a common carrier to provide a remote terminal for access under subsection (a)(2). The Commission shall by regulation prescribe the form and manner in which marine terminal operator schedules authorized by this section shall be published."

#### SEC. 107. AUTOMATED TARIFF FILING AND INFORMATION SYSTEM.

Section 502 of the High Seas Driftnet Fisheries Enforcement Act (46 U.S.C. App. 1707a) is repealed.

#### SEC. 108. CONTROLLED CARRIERS.

Section 9 of the Shipping Act of 1984 (46 U.S.C. App. 1708) is amended by—

(1) striking "filed with the Commission" in the first sentence of subsection (a) and inserting a comma and "or charge or assess rates.;"

(2) striking "or maintain" in the first sentence of subsection (a) and inserting "maintain, or enforce";

(3) striking "disapprove" in the third sentence of subsection (a) and inserting "prohibit the publication or use of"; and

(4) striking "filed by a controlled carrier that have been rejected, suspended, or disapproved by the Commission" in the last sentence of subsection (a) and inserting "that have been suspended or prohibited by the Commission";

(5) striking "may take into account appropriate factors including, but not limited to, whether—" in subsection (b) and inserting "shall take into account whether the rates or charges which have been published or assessed or which would result from the pertinent classifications, rules, or regulations are below a level which is fully compensatory to the controlled carrier based upon that carrier's actual costs or upon its constructive costs. For purposes of the preceding sentence, the term 'constructive costs' means the costs of another carrier, other than a controlled carrier, operating similar vessels and equipment in the same or a similar trade. The Commission may also take into account other appropriate factors, including but not limited to, whether—";

(6) striking paragraph (1) of subsection (b) and redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively;

(7) striking "filed" each place it appears in subsection (b) and inserting "published or assessed";

(8) striking "filing with the Commission" in subsection (c) and inserting "publication";

(9) striking "DISAPPROVAL.—" in subsection (d) and inserting "PROHIBITION OF RATES.—Within 120 days after the receipt of information requested by the Commission under this section, the Commission shall determine whether the rates, charges, classi-

fications, rules, or regulations of a controlled carrier may be unjust and unreasonable.;"

(10) striking "filed" in subsection (d) and inserting "published or assessed";

(11) striking "may issue" in subsection (d) and inserting "shall issue";

(12) striking "disapproved." in subsection (d) and inserting "prohibited.;"

(15) striking "60" in subsection (d) and inserting "30";

(16) inserting "controlled" after "affected" in subsection (d);

(17) striking "file" in subsection (d) and inserting "publish";

(18) striking "disapproval" in subsection (e) and inserting "prohibition";

(19) inserting "or" after the semicolon in subsection (f)(1);

(20) striking paragraphs (2), (3), and (4) of subsection (f); and

(21) redesignating paragraph (5) of subsection (f) as paragraph (2).

#### SEC. 109. PROHIBITED ACTS.

(a) Section 10(b) of the Shipping Act of 1984 (46 U.S.C. App. 1709(b)) is amended by—

(1) striking paragraphs (1) through (3);

(2) redesignating paragraph (4) as paragraph (1);

(3) inserting after paragraph (1), as redesignated, the following:

"(2) provide service in the liner trade that—

"(A) is not in accordance with the rates contained in a tariff published or a service contract entered into under section 8 of this Act unless excepted or exempted under section 8(a)(1) or 16 of this Act; or

"(B) is under a tariff or service contract which has been suspended or prohibited by the Commission under section 9 or 11a of this Act.;"

(4) redesignating paragraphs (5) through (8) as paragraphs (3) through (6), respectively;

(5) striking paragraph (9) and redesignating paragraphs (10) through (16) as paragraphs (7) through (13), respectively;

(6) in paragraph (7), as redesignated, inserting "except for service contracts," before "demand.;"

(7) in paragraph (9), as redesignated —

(A) inserting "port, class or type of shipper, ocean freight forwarder," after "locality.;" and

(B) inserting a comma and "except for service contracts," after "deal or";

(8) striking "a non-vessel-operating common carrier" each place it appears in paragraphs (11) and (12), as redesignated, and inserting "an ocean freight forwarder";

(9) striking "sections 8 and 23" in paragraphs (11) and (12), as redesignated, and inserting "sections 8 and 19";

(10) striking "paragraph (16)" in the matter appearing after paragraph (13), as redesignated, and inserting "paragraph (13)"; and

(11) inserting "the Commission," after "United States," in such matter.

(b) Section 10(c)(5) of the Shipping Act of 1984 (46 U.S.C. App. 1709(c)(5)) is amended by inserting "as defined by section 3(18)(A) of this Act," before "or limit".

(c) Section 10(d)(3) of the Shipping Act of 1984 (46 U.S.C. App. 1709(d)(3)) is amended by striking "subsection (b)(11), (12), and (16)" and inserting "subsections (b)(8), (9), and (13)".

#### SEC. 110. COMPLAINTS, INVESTIGATIONS, REPORTS, AND REPARATIONS.

Section 11(g) of the Shipping Act of 1984 (46 U.S.C. App. 1710(g)) is amended by—

(1) striking "section 10(b)(5) or (7)" and inserting "section 10(b)(3) or (5)"; and

(2) striking "section 10(b)(6)(A) or (B)" and inserting "section 10(b)(4)(A) or (B).".

**SEC. 111. FOREIGN SHIPPING PRACTICES ACT OF 1988.**

Section 10002 of the Foreign Shipping Practices Act of 1988 (46 U.S.C. App. 1710a) is amended—

(1) by striking “non-vessel-operating common carrier,” in paragraph (1) and inserting “ocean freight forwarder.”;

(2) striking “non-vessel-operating common carrier operations,” in paragraph (4);

(3) by inserting “and service contracts” after “tariffs” each place it appears in subsection (e)(1)(B);

(4) by striking “filed with the Commission” in subsection (e)(1)(B); and

(5) by striking “section 13(b)(5) of the Shipping Act of 1984 (46 App. U.S.C. 1712(b)(5))” in subsection (h) and inserting “section 13(b)(6) of the Shipping Act of 1984 (46 App. U.S.C. 1712(b)(6))”.

**SEC. 112. SUBPOENAS AND DISCOVERY.**

Section 12(a)(2) of the Shipping Act of 1984 (46 U.S.C. App. 1711 (a)(2)) is amended by striking “evidence.” and inserting “evidence, including individual service contracts described in section 8(c)(3) of this Act.”.

**SEC. 113. PENALTIES.**

(a) Section 13(a) of the Shipping Act of 1984 (46 U.S.C. App. 1712(a)) is amended by adding at the end thereof the following: “The amount of any penalty imposed upon a common carrier under this subsection shall constitute a lien upon the vessels of the common carrier and any such vessel may be libeled therefor in the district court of the United States for the district in which it may be found.”.

(b) Section 13(b) of the Shipping Act of 1984 (46 U.S.C. App. 1712(b)) is amended by—

(1) striking “section 10(b)(1), (2), (3), (4), or (8)” in paragraph (1) and inserting “section 10(b)(1), (2), or (6)”;

(2) redesignating paragraphs (4), (5), and (6) as paragraphs (5), (6), and (7), respectively;

(3) inserting before paragraph (5), as redesignated, the following:

“(4) If the Commission finds, after notice and an opportunity for a hearing, that a common carrier has failed to supply information ordered to be produced or compelled by subpoena under section 12 of this Act, the Commission may request that the Secretary of the Treasury refuse or revoke any clearance required for a vessel operated by that common carrier. Upon request by the Commission, the Secretary of the Treasury shall, with respect to the vessel concerned, refuse or revoke any clearance required by section 4197 of the Revised Statutes of the United States (46 U.S.C. App. 91).”; and

(4) striking “paragraphs (1), (2), and (3)” in paragraph (6), as redesignated, and inserting “paragraphs (1), (2), (3), and (4)”.

(c) Section 13(f)(1) of the Shipping Act of 1984 (46 U.S.C. App. 1712(f)(1)) is amended by striking “or (b)(4)” and inserting “or (b)(2)”.

**SEC. 114. REPORTS AND CERTIFICATES.**

Section 15 of the Shipping Act of 1984 (46 U.S.C. App. 1714) is amended by—

(1) striking “and certificates” in the section heading;

(2) striking “(a) REPORTS.—” in the subsection heading for subsection (a); and

(3) striking subsection (b).

**SEC. 115. EXEMPTIONS.**

Section 16 of the Shipping Act of 1984 (46 U.S.C. App. 1715) is amended by striking “substantially impair effective regulation by the Commission, be unjustly discriminatory, result in substantial reduction in competition, or be detrimental to commerce.” and inserting “result in substantial reduction in competition or be detrimental to commerce.”.

**SEC. 116. AGENCY REPORTS AND ADVISORY COMMISSION.**

Section 18 of the Shipping Act of 1984 (46 U.S.C. App. 1717) is repealed.

**SEC. 117. OCEAN FREIGHT FORWARDERS.**

Section 19 of the Shipping Act of 1984 (46 U.S.C. App. 1718) is amended by—

(1) striking subsection (a) and inserting the following:

“(a) LICENSE.—No person in the United States may act as an ocean freight forwarder unless that person holds a license issued by the Commission. The Commission shall issue a forwarder’s license to any person that the Commission determines to be qualified by experience and character to act as an ocean freight forwarder.”;

(2) redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively;

(3) inserting after subsection (a) the following:

“(b) FINANCIAL RESPONSIBILITY.—

“(1) No person may act as an ocean freight forwarder unless that person furnishes a bond, proof of insurance, or other surety in a form and amount determined by the Commission to insure financial responsibility that is issued by a surety company found acceptable by the Secretary of the Treasury.

“(2) A bond, insurance, or other surety obtained pursuant to this section—

“(A) shall be available to pay any judgment for damages against an ocean freight forwarder arising from its transportation-related activities under section 3(18) of this Act, or any order for reparation issued pursuant to section 11 or 14 of this Act, or any penalty assessed pursuant to section 13 of this Act; and

“(B) may be available to pay any claim against an ocean freight forwarder arising from its transportation-related activities under section 3(18) of this Act that is deemed valid by the surety company after providing the ocean freight forwarder the opportunity to address the validity of the claim.

“(3) An ocean freight forwarder not domiciled in the United States shall designate a resident agent in the United States for receipt of service of judicial and administrative process, including subpoenas.”;

(4) striking “a bond in accordance with subsection (a)(2)” in subsection (c), as redesignated, and inserting “a bond, proof of insurance, or other surety in accordance with subsection (b)(1)”;

(5) striking “forwarder” in paragraph (1) of subsection (e) and inserting “forwarder, as described in section 3(18).”;

(6) striking “license” in paragraph (1) of subsection (e) and inserting “license, if required by subsection (a).”;

(7) striking paragraph (3) of subsection (e), as redesignated, and redesignating paragraph (4) as paragraph (3); and

(8) adding at the end of subsection (e), as redesignated, the following:

“(4) No conference or group of 2 or more ocean common carriers in the foreign commerce of the United States that is authorized to agree upon the level of compensation paid to an ocean freight forwarder, as defined in section 3(18)(A) of this Act, may—

“(A) deny to any member of the conference or group the right, upon notice of not more than 5 calendar days, to take independent action on any level of compensation paid to an ocean freight forwarder, as so defined; or

“(B) agree to limit the payment of compensation to an ocean freight forwarder, as so defined, to less than 1.25 percent of the aggregate of all rates and charges which are applicable under a tariff and which are assessed against the cargo on which the forwarding services are provided.”.

**SEC. 118. CONTRACTS, AGREEMENTS, AND LIENSES UNDER PRIOR SHIPPING LEGISLATION.**

Section 20 of the Shipping Act of 1984 (46 U.S.C. App. 1719) is amended by—

(1) striking subsection (d) and inserting the following:

“(d) EFFECTS ON CERTAIN AGREEMENTS AND CONTRACTS.—All agreements, contracts, modifications, and exemptions previously issued, approved, or effective under the Shipping Act, 1916, or the Shipping Act of 1984 shall continue in force and effect as if issued or effective under this Act, as amended by the Ocean Shipping Reform Act of 1997, and all new agreements, contracts, and modifications to existing, pending, or new contracts or agreements shall be considered under this Act, as amended by the Ocean Shipping Reform Act of 1997.”;

(2) inserting the following at the end of subsection (e):

“(3) The Ocean Shipping Reform Act of 1997 shall not affect any suit—

“(A) filed before the effective date of that Act; or

“(B) with respect to claims arising out of conduct engaged in before the effective date of that Act filed within 1 year after the effective date of that Act.

“(4) Regulations issued by the Federal Maritime Commission shall remain in force and effect where not inconsistent with this Act, as amended by the Ocean Shipping Reform Act of 1997.”.

**SEC. 119. SURETY FOR NON-VESSEL-OPERATING COMMON CARRIERS.**

Section 23 of the Shipping Act of 1984 (46 U.S.C. App. 1721) is repealed.

**SEC. 120. REPLACEMENT OF FEDERAL MARITIME COMMISSION WITH INTERMODAL TRANSPORTATION BOARD.**

(a) IN GENERAL.—The Shipping Act of 1984 (46 U.S.C. App. 1701 et seq.) is amended by—

(1) striking “Federal Maritime Commission” each place it appears, except in sections 7(a)(6) and 20, and inserting “Intermodal Transportation Board”;

(2) striking “Commission” each place it appears (including chapter and section headings), except in sections 7(a)(6) and 20, and inserting “Board”; and

(3) striking “Commission’s” each place it appears and inserting “Board’s”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) take effect on January 1, 1999.

**TITLE II—TRANSFER OF FUNCTIONS OF THE FEDERAL MARITIME COMMISSION TO THE INTERMODAL TRANSPORTATION BOARD****SEC. 201. TRANSFER TO THE INTERMODAL TRANSPORTATION BOARD.**

(a) CHANGE OF NAME OF SURFACE TRANSPORTATION BOARD TO INTERMODAL TRANSPORTATION BOARD.—The ICC Termination Act of 1995 (Pub. L. 104-88) is amended by striking “Surface Transportation Board” each place it appears and inserting “Intermodal Transportation Board”.

(b) FUNCTIONS OF THE FEDERAL MARITIME COMMISSION.—All functions, powers and duties vested in the Federal Maritime Commission shall be administered by the Intermodal Transportation Board.

(c) REGULATIONS.—No later than January 1, 1998, the Federal Maritime Commission, in consultation with the Surface Transportation Board, shall prescribe final regulations to implement the changes made by this Act.

(d) AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1998.—There is authorized to be appropriated to the Federal Maritime Commission, \$15,000,000 for fiscal year 1998.

(e) COMMISSIONERS OF THE FEDERAL MARITIME COMMISSION.—Subject to the political

party restrictions of section 701(b) of title 49, United States Code, the 2 Commissioners of the Federal Maritime Commission whose terms have the latest expiration dates shall become members of the Intermodal Transportation Board. Of the 2 members of the Intermodal Transportation Board first appointed under this subsection, the one with the first expiring term (as a member of the Federal Maritime Commission) shall serve for a term ending December 31, 2000, and the other shall serve for a term ending December 31, 2002. Effective January 1, 1999, the right of any Federal Maritime Commission commissioner other than those designated under this subsection to remain in office is terminated.

(f) MEMBERSHIP OF THE INTERMODAL TRANSPORTATION BOARD.—

(1) NUMBER OF MEMBERS.—Section 701(b)(1) of title 49, United States Code, is amended by—

(A) striking “3 members” and inserting “5 members”; and

(B) striking “2 members” and inserting “3 members”.

(2) QUALIFICATIONS.—Section 701(b)(2) of title 49, United States Code, is amended by inserting after “sector,” the following: “Effective January 1, 1999, at least 2 members shall be individuals with—

“(A) professional standing and demonstrated knowledge in the fields of maritime transportation or its regulation; or

“(B) professional or business experience in the maritime transportation private sector, including marine terminal or public port operation.”.

(g) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1999, except as otherwise provided.

### TITLE III—AMENDMENTS TO OTHER SHIPPING AND MARITIME LAWS

#### SEC. 301. AMENDMENTS TO SECTION 19 OF THE MERCHANT MARINE ACT, 1920.

(a) IN GENERAL.—Section 19 of the Merchant Marine Act, 1920 (46 U.S.C. App. 876) is amended by—

(1) striking “Federal Maritime Commission” each place it appears and inserting “Intermodal Transportation Board”;

(2) inserting “ocean freight” after “solicitations,” in subsection (1)(b);

(3) striking “non-vessel-operating common carrier operations,” in subsection (1)(b);

(4) striking “methods or practices” and inserting “methods, pricing practices, or other practices” in subsection (1)(b);

(5) striking “tariffs filed with the Commission” in subsection (9)(b) and inserting “tariffs and service contracts”; and

(6) striking “Commission” each place it appears (including the heading) and inserting “Board”.

(b) SPECIAL EFFECTIVE DATE.—The amendments made by subsection (a) take effect on the date of enactment of this Act, except that the amendments made by paragraphs (1) and (6) of that subsection take effect on January 1, 1999.

#### SEC. 302. TECHNICAL CORRECTIONS.

(a) PUBLIC LAW 89-777.—The Act of November 6, 1966, (Pub. L. 89-777; 80 Stat. 1356; 46 U.S.C. App. 817 et seq.) is amended by—

(1) striking “Federal Maritime Commission” each place it appears and inserting “Intermodal Transportation Board”; and

(2) striking “Commission” each place it appears and inserting “Board”.

(b) TITLE 28, UNITED STATES CODE, AND CROSS REFERENCE.—

(1) Section 2341 of title 28, United States Code, is amended by—

(A) striking “Commission, the Federal Maritime Commission,” in paragraph (3)(A); and

(B) striking “Surface” in paragraph (3)(E) and inserting “Intermodal”.

(2) Section 2342 of such title is amended by—

(A) striking paragraph (3) and inserting the following:

“(3) all rules, regulations, or final orders of the Secretary of Transportation issued pursuant to section 2, 9, 37, 41, or 43 of the Shipping Act, 1916 (46 U.S.C. App. 802, 803, 808, 835, 839, or 841a) or pursuant to part B or C of subtitle IV of title 49 (49 U.S.C. 13101 et seq. or 15101 et seq.);” and

(B) striking paragraph (5) and inserting the following:

“(5) all rules, regulations, or final orders of the Intermodal Transportation Board—

“(A) made reviewable by section 2321 of this title; or

“(B) pursuant to—

“(i) section 19 of the Merchant Marine Act, 1920 (46 U.S.C. App. 876);

“(ii) section 14 or 17 of the Shipping Act of 1984 (46 U.S.C. App. 1713 or 1716); or

“(iii) section 2(d) or 3(d) of the Act of November 6, 1966 (46 U.S.C. App. 817(d) or 817(e(d));”.

(c) FOREIGN SHIPPING PRACTICES ACT OF 1988.—Section 10002(i) of the Foreign Shipping Practices Act of 1988 (46 U.S.C. 1710a(i)) is amended by striking “2342(3)(B)” and inserting “2342(5)(B)”.

(d) TARIFF ACT OF 1930.—Section 641(i) of the Tariff Act of 1930 (19 U.S.C. 1641) is repealed.

(e) EFFECTIVE DATES.—

(1) The amendments made by subsections (a), (b), and (c) take effect January 1, 1999.

(2) The repeal made by subsection (d) takes effect March 1, 1998.

Mr. LOTT. Mr. President, I rise today to introduce bipartisan legislation that will update, revise and improve upon the Shipping Act of 1984. This legislation is a continuation and extension of work initiated in the last Congress by Representative BUD SHUSTER, my friend in the House of Representatives and Senator Larry Pressler, then chairman of the Senate's Commerce Committee.

Under the leadership of Senator Pressler, the proposal from the House of Representatives was examined through an initial hearing, and it was modified to address the concerns expressed by many in the industry. Only after a critical review of the key issues and concerns was a revised bipartisan amendment to the Senate bill introduced. Unfortunately, time ran out in the 104th Congress and the Senate Commerce Committee could not hold another hearing on the proposal. Still, changes continued to be incorporated into a single new version of the amendment, and in the last week of the 104th Congress the amendment was placed in the CONGRESSIONAL RECORD.

My legislative plan was simple and direct—introduce a bill and then hold a hearing so that public input would have a genuine opportunity to affect the legislative process. This remains my plan, and that is why I used my public ending point in the 104th Congress as my new beginning point in the 105th Congress.

As the process began again in this Congress, we again sought input from the maritime world as we prepared this important legislation for reintroduc-

tion. In the 104th Congress, the House of Representatives was the first to act. In the 105th Congress, the Senate will be the first to act.

Mr. President, this explanation of the legislative journey was necessary so that my colleagues will have an appreciation of the outreach that was pursued by the Senate in its drafting process regarding this shipping reform.

Let me say that I grew up in an active port community. In fact, I still live in that port city of Pascagoula. There is nothing in our legislative proposal that is intended to harm the on-shore maritime community. Believe me, I know first hand the challenges faced by ports because I have lived with them. I still remember the committee hearing on the shipping act last year where I had to give lessons in how to pronounce “Pascagoula.” On that day, I wanted to make sure people who develop and comment on maritime policy know and remember Pascagoula.

I would like to add one more comment about the development of this legislation before I say a few words on what the bill will accomplish. The U.S. Coast Guard detailed an officer to the Commerce, Science, and Transportation Committee to assist the committee's members and staff on both sides of the aisle on issues affecting the Coast Guard and the maritime world. Last year and part of this year we have had the able assistance of Lt. Comdr. Jim Sartucci. He was instrumental in collecting comments and in drafting provisions of this proposal in both the 104th and now the 105th Congress.

I have received many unsolicited compliments about Jim's willingness to listen and merge in a meaningful way, individual proposals from all segments of the maritime world. Everyone that I have encountered has told me that Jim was both professional and fair as we worked through the process.

Mr. President, Lieutenant Commander Sartucci has clearly reflected great credit upon the Coast Guard, the Commerce Committee, and on this legislative proposal.

Mr. President, we now know how we got to this point in the legislative process. There are still two topics that need to be addressed today.

First, why do we need shipping reform and second, how does the bill accomplish that reform?

In just a few minutes, let me explain why we need shipping reform.

Last year's successful maritime reform effort addressed the critical requirement of guaranteeing an American fleet and American crews in the context of necessary sealift capabilities for deploying and supporting our military forces overseas. Our efforts in shipping reform this year focus on the needs of America's ports and Americans who work dockside. Both big and little ports. were considered as part of the process. Ports with and without cranes.

Mr. President, last year, I spoke at length with the Honorable Helen

Delich Bentley, the former Maryland Congresswoman. She has been an effective defender of ports and maritime labor for years. She is a true champion, and I value her advice. I made a commitment to Helen then and I believe it has been honored this year with the legislative language. The legislation will provide adequate protection for small ports and small shippers. Also, the legislation will ensure that the collective power of some industry elements will not be allowed to abuse other segments of the industry.

Having said this, it is time to deregulate the ocean shipping industry and to sunset the FMC. The path was started by President Reagan back in 1984. Senator SLADE GORTON, my colleague and friend, was the principal author of this initial step and with his help we took the next step when we put together the proposal in the 104th Congress. I am very pleased that the author of the original act that we are amending has agreed to cosponsor this bill.

Mr. President, this year Senator KAY BAILEY HUTCHISON will be leading the charge to complete this second part of maritime reform. She has a clear understanding of what is necessary to strike the delicate balance to achieve deregulation without permitting marketplace abuses. She will do an excellent job in chairing the hearing and finalizing the legislative language for the full Senate.

Let me be very clear; this proposal only deals with liner shipping, basically container ship, legislation—not bulk cargo shipping, which represents the other half of U.S. ocean borne trade. Do not let the opponents of reform confuse the issue. The already deregulated world of bulk cargo shipping is not being disturbed.

I must also be candid. The challenge is to balance ocean common carrier antitrust issues and large ocean carrier and shipper desires for more private business relationships with meaningful oversight to produce a fair, yet competitive playing field. I believe this legislation strikes the right balance.

I must also say that at the Commerce Committee hearing back in 1995, both Senator BREAUX and I challenged the witnesses to work with us to resolve the concerns we were hearing from our constituents. The witnesses and many others did just that. They showed up and participated in extensive, good faith negotiations.

This bill is not antilabor. The shore-side and seafaring unions continue to work with us in a constructive manner. Their goal and ours is to put in place an ocean shipping framework that eliminates inefficient and burdensome regulations, promotes U.S. trade, and in so doing, preserves and creates American jobs.

This bill is not about dealing with just a couple of players in the maritime community. Many members of the industry were consulted. We provided a genuine opportunity to participate in dialog as we drafted this bill. Introduction should not stop the consensus seeking process. And, I hope the

discussion will continue with Senator HUTCHISON as she prepares for the upcoming hearing and even following the hearing.

Let me now explain how this legislation accomplishes our goals to reform this critical industry.

This legislation will permit confidential contracting between individual ocean common carriers and shippers, but will continue current public filing requirements for joint ocean common carrier contracts. This action balances the desire to make the U.S. ocean liner contracting process consistent with international ocean shipping practices and other U.S. transportation modes with the unique application of ocean common carrier antitrust immunity in the ocean liner shipping industry. At recent meetings held by the Maritime Administration on the diversion of cargo from U.S. ports, the current U.S. ocean liner shipping system was identified as a contributor to this problem. This legislation will help eliminate this U.S. port handicap.

This legislation will retain common carrier tariff enforcement, but would eliminate the requirement to file tariffs with the Government. Common carriers would be able to take advantage of available modern technology by using a World Wide Web home page to satisfy the tariff publication requirement. This just makes common sense and reduces the cost of doing business while maintaining protections for small shippers.

This legislation will streamline and reform the Federal Maritime Commission [FMC], and establish a responsible time line to downsize the FMC in accordance with its new mission and merge it with the Surface Transportation Board. America will then have a single, centralized, independent, Federal agency where the distinct regulatory systems for each mode of transportation are monitored and enforced in a coherent manner.

This legislation does much to ensure that America's presence in the ocean shipping business is not subjected to unfair foreign rules or practices. The recent FMC enforcement actions taken against unfair port practices in Japan is an illustration of an essential FMC mission that is not performed by other Federal agencies. This mission will continue, and I will support it wholeheartedly.

Let me be clear. This bill will significantly change the regulations governing ocean transportation in the foreign commerce of the United States while providing Government efficiencies and genuine reforms to protect American interests. The changes will strengthen ocean common carriers' ability to competitively price their services, in turn, making American shippers more competitive.

Mr. President, the world's transportation community is now, and has been for some time, a seamless intermodal world. With this bill our Federal Government will finally be able to think and act in an intermodal manner. The American people get less Federal

micro-management of our ocean shipping industry while receiving the protection of a government agency focused on preserving fair competition. An economically efficient, market oriented shipping industry provides America an advantage in the global marketplace.

Mr. President, I want to thank my colleagues for their attention, and I hope they will give serious consideration to becoming a cosponsor to this necessary bipartisan legislative reform. Remember this is not just a port State matter; it is also an exporting State concern.

By Mr. BAUCUS (for himself, Mr. GRASSLEY, Mr. ROCKEFELLER, and Mr. THOMAS):

S. 415. A bill to amend the Medicare program under title XVIII of the Social Security Act to improve rural health services, and for other purposes; to the Committee on Finance.

THE RURAL HEALTH IMPROVEMENT ACT OF 1997

Mr. BAUCUS. Mr. President, I rise today to introduce the Rural Health Improvement Act of 1997. This bill makes rural health care more convenient, more effective, and more responsive.

The cornerstone of this bill is an extension of the successful medical assistance facility program, known as MAF's. Without the Rural Health Improvement Act, MAF will remain only a test program which could be discontinued in the future. Passing this legislation will make MAF's permanent and nationwide.

Big Timber, MT, is a good example of how MAF could help out a community. It is a small ranching and farming town on the edge of the Absaroka mountain range. People in that town of Big Timber say hi and chat when they see each other on the street. They are very friendly, very down to Earth, very basic. Every year, the town puts on the Big Timber rodeo and black powder shoot. Big Timber is a town like many in rural Montana.

A few years back, the hospital in Big Timber had to shut down, as is the case with many hospitals in our country. They could not make ends meet with the regulations of the current system. But instead of watching their health care services leave town, the people of Big Timber got together and applied for a MAF waiver.

I was fortunate enough to be in Big Timber last summer for the grand opening of their new MAF building. It was a pretty typical July day in Montana, which means it was very hot. But that did not stop the whole town from turning out for the dedication ceremony. The MAF Program not only saved Big Timber's hospital, but it renewed their sense of community spirit. It was wonderful to watch, wonderful to see. Big Timber faced the same situation many rural communities face every day. They found the solution.

Rural life has qualities you cannot find in big cities: The crime rate is low;

people go out of their way to help a friend in need; and folks take the time to know their neighbors, even if that neighbor happens to live 5 miles down the road.

But challenges come with living in such remote surroundings. One of the biggest is access to quality health care. Randy Dixon, a physician's assistance at Philipsburg MAF, really hit the nail on the head when he wrote to me:

Having arrived in your home State, I am greatly impressed with its magnitude and expanse. However, those same attributes turn into detriments when you are considering access to primary health care. My history and recent acquaintances have taught me that the people of Montana are a tough, resilient people. But those acquaintances also tell me that they have not had consistent, reliable primary care available when that "toughness" had a dent or two in it.

Randy sums up life in rural Montana pretty well, but what he really underscores is the importance of rural medical facilities. In Montana, vast distances and bad weather are about the only two things you can count on. Rural hospitals make up a network that blankets Montana and makes access to health care convenient for folks who are isolated by distance and weather. When one of these hospitals closes its doors, the network falls apart, and people can no longer depend on access to health care.

Jordan, MT, is another example. Without an MAF, the nearest health facility would be Miles City, over 80 miles away. And whether you have a serious medical emergency or simply need a routine checkup, 80 miles is too far, often, to travel.

Rural communities often don't have the patient base or the money to support a fully functional hospital. Yet, the care that these hospitals provide is irreplaceable.

Essentially, Mr. President, there are a lot of communities like Jordan, like Big Timber, Ekalaka, and other small communities in Montana and other parts of our Nation. Under my bill, an MAF can provide emergency services during the day and have someone on call at night. In a small town, that means that the hospital can be opened at a moment's notice. Folks can still have immediate access to emergency care, and rural hospitals do not have some of the same burdens and overhead expenses and all the redtape and regulations that the big hospitals, unfortunately, often have.

MAF makes exceptions to rules like that.

The whole point of this legislation is to make the MAF waiver permanent, so that hospitals do not have to wait year after year for MAF status. Rather, once that status is determined, that status can be permanent and people in rural communities can rest a little more assured they are going to have pretty good health care.

Mr. GRASSLEY. Mr. President, I rise in support of the Rural Health Improvement Act of 1997, which I joined in introducing today with Senators BAUCUS, ROCKEFELLER, and THOMAS.

We've heard a lot lately, Mr. President, about how hospitals are doing better financially than they have in years. ProPAC's recent report to the Congress indicated that the average prospective payment margins for hospitals are becoming healthy again. In 1995, the average PPS margin was 7.9 percent; only 3 years before, the average PPS margins were negative.

This has truly been a remarkable turnaround, and I applaud hospitals for their success at improving their efficiency. We must remember, however, that anytime we use average statistics, there are those which are below the average, as well as those are above it.

In my State of Iowa, as in many areas of the United States, small rural hospitals are essential links in the chain of health care access. For these small hospitals, however, economic survival is a constant struggle.

There are limits to what we here in Congress can do to help these hospitals survive. But I believe that we have an obligation to do our best to give rural Americans a fighting chance at access to health care. And at the very least, we must not hinder small rural hospitals as they try to serve their essential role.

Unfortunately, our Medicare policies have often been an obstacle, rather than a help. Our inflexible rules and reimbursement policies have made it even harder for small, rural hospitals to survive. I am pleased to report that the legislation we have introduced today is an important step toward making the Medicare Program a true partner with these hospitals.

This bill expands two successful demonstration projects: the Montana Medical Assistance Facility project, and the Essential Access Community Hospital, and Rural Primary Care Hospital projects. These projects have been limited to eight States, with Iowa not among them. Mr. President, I believe that the purpose of demonstration projects is to see what works. Well, the results from the eight States have been very good. It is high time to make the same help available to hospitals in all 50 States. That is what this bill will do.

This legislation allows the designation of certain hospitals as critical access hospitals. To qualify, hospitals must have average lengths of stay of not more than 96 hours, referral relationships with larger hospitals, and 15 or fewer beds, which may be used either for inpatient care or as swing beds. The bill also imposes a general distance requirement of 35 miles from another hospital, but this requirement need not be met if the State certifies that the hospital is a necessary provider of services to residents in the area. The ability of States to waive the 35-mile rule is crucial to hospitals in Iowa, where the distances between communities are not as vast as in some Western states.

Critical access hospitals will be given greater flexibility in meeting Medicare regulations that were designed for larg-

er hospitals. Most important, the legislation will help these hospitals to make their transition from acute care to less expensive primary care. This is why the General Accounting Office has found that the demonstration project has not only assisted the hospitals, and the rural Americans they serve, but that it has actually saved money for the Medicare Program.

Mr. President, as you might expect, this bill will make a big difference in Iowa. In 1995, 43 Iowa hospitals had six or fewer inpatients per day. Of these 43, 15 had negative operating margins. Many of these are not county hospitals, and thus are not subsidized by county tax revenues. These hospitals are in a real bind, and many will benefit from this legislation. Some of the small towns which are likely to be helped are Hawarden, Primghar, Eldora, Rock Valley, Corning, and Rock Rapids. For these Iowa communities, and for many others across America, the Rural Health Improvement Act of 1997 could be a lifesaver. I urge my colleagues to support this bill.

Mr. ROCKEFELLER. Mr. President, I am pleased to join my colleagues from Montana, Iowa, and Wyoming, Senators BAUCUS, GRASSLEY, and THOMAS, in re-introducing a very important bill for rural communities. My colleague from Montana, Senator BAUCUS, has long been a strong advocate of rural health care issues and I am very pleased to be working with him on such an important issue to rural America. Since Medicare's enactment in 1965, the Medicare Program has played a vital role in making sure senior citizens living in rural areas have adequate access to health care services. A disproportionate number of the elderly live in rural areas. As a result, rural hospitals are heavily reliant on the Medicare Program.

Our legislation will provide some basic assistance to help rural hospitals keep their doors open. The changes we are recommending are based on carefully studied pilot projects in West Virginia, Montana, and other States, and we think it is time to apply some very good ideas to the rest of the Nation. I am pleased that President Clinton's budget would also expand Essential Access Community Hospital [EACH] and the Rural Primary Care Hospital [RPCH] program. We are very interested in seeing the specific details of his proposal.

Mr. President, most rural hospitals have only one choice when faced with shrinking occupancy rates, declining Medicare and Medicaid reimbursement rates, and intense market pressures to lower their costs: close their doors. That is where our bill steps in. When being a full-service hospital is no longer viable, our bill gives them a way to become what we call a critical access hospital—a way to preserve essential primary care and emergency health care services for rural America.

West Virginia is one of only seven States that is currently allowed to operate a EACH/RPCH Program. Since we

introduced our bill in the 104th Congress, the EACH/RCPH Program, once again, proved to be the salvation for a rural West Virginia county that was on the brink of losing its access to primary care and emergency care services. Because of the availability of the EACH/RCPH Program in West Virginia, the local residents of Calhoun County, WV were able to merge and reorganize two existing, but financially strapped, health care providers, the Minnie Hamilton Primary Care Center and Calhoun General Hospital. A neighboring hospital, Stonewall Jackson, stepped in and offered financial and administrative assistance during this very difficult period of time. As a result, Calhoun County now has a thriving and financially stable health care provider that is meeting the health care needs of its local residents. This is huge relief to the residents of Calhoun County.

Mr. President, our bill is modeled on two separate, ongoing rural hospital demonstration projects, the EACH-RPCH Program, the other is the Montana Medical Assistance Facility [MAF] Program. The basic concept is to place limits on the number of licensed beds and patient length of stays in the participating rural hospitals, and in exchange, hospitals receive Medicare payment rates that will cover their patient care costs, along with badly needed relief from regulations that are intended for full-scale, acute care hospitals.

We believe, based on work by the General Accounting Office, that our legislation will wind up saving the Medicare Program money. We are encouraging the development of rural health networks, to help small, rural hospitals save money and improve quality by working more closely with larger, full-service hospitals.

I am very proud to note that West Virginia has been a leader in helping small, rural hospitals figure out how to adapt and cope with rapid changes in the economics of health care. Six hospitals in West Virginia are federally designated RPCH hospitals and six hospitals are federally designated EACH hospitals. I know that many other rural States and rural hospitals are anxious to enjoy the benefits of this program.

Our legislation draws on the lessons learned from the pilot programs, improves on them, and expands them so that rural hospitals and patients all across America will have the same benefits. Our legislation will give other States the same opportunities already available in California, Colorado, Kansas, New York, North Carolina, South Dakota, and West Virginia through the EACH/RPCH Program and in Montana through the MAF Program.

Our legislation is targeted at the 1,186 rural hospitals nationwide with fewer than 50 beds. While these hospitals are essential to assuring access to health care services in their local communities, these hospitals account for only 2 percent of total Medicare

payments to hospitals. In return for certain limits, rural hospitals can count on Medicare payments and regulatory relief to fit their circumstances. They can form new relationships with health care providers in their community, and larger hospitals farther away, so patients have the kind of access to care where it is best to get it.

Mr. President, as we move to adopt Medicare reforms in the Finance Committee later this year, I will be working to make sure that commonsense reforms to help rural hospitals are also adopted.

By Mr. MURKOWSKI:

S. 417. A bill to extend energy conservation programs under the Energy Policy and Conservation Act through September 30, 2002; to the Committee on Energy and Natural Resources.

THE ENERGY POLICY AND CONSERVATION ACT  
AUTHORIZATION

• Mr. MURKOWSKI. Mr. President, this bill is very simple, yet it is extremely important to our Nation's energy security. This bill contains the authorizations for two vital energy security measures, the Strategic Petroleum Reserve and U.S. participation in the International Energy Agency, which will expire at the end of this fiscal year. This bill would extend those two vital authorities, as well as several other important DOE programs, through 2002.

For every year in recent memory, we have authorized this act on a year-to-year basis, and we have faced a potential crisis as these authorizations go unrenewed until the very end of the Congress. We always seem to end up facing a situation where the President does not have authority to withdraw oil from the Strategic Petroleum Reserve if an energy emergency occurs.

Further, if these authorities are not renewed, our Government does not have authority to participate in International Energy Agency emergency actions in an international energy emergency. There will be no antitrust exemption available to our private oil companies to allow them to cooperate with the IEA and our Government to respond to the crisis. These provisions are not controversial in and of themselves, but this bill has a tendency to become a vehicle to address concerns over unrelated issues.

In an attempt to avoid the annual crisis, I am introducing legislation today that will renew these authorities for 5 years. The bill also provides for the leasing of extra capacity in our reserve facilities and changes to the antitrust exemption in the bill to comport with the policies adopted by the IEA at our request.

Although it appears to be easy for some to disregard these dangers, recent events have underscored exactly how precarious this Nation's energy security is. Events in the Middle East clearly demonstrate the instability of the region that we rely on to supply the oil that keeps this Nation moving.

The situation is only getting worse. Since the establishment of the Department of Energy, our reliance on imported oil has passed 50 percent, and is expected to rise to 71 percent by 2015. The OPEC countries are steadily regaining lost market share and it is projected to exceed 50 percent by 2000. The U.S. economy appears to be as exposed as it was in the early 1970's to supply disruptions and losses from monopoly oil pricing. We are talking about jobs and people's lives. In the face of these numbers, DOE has no real plan to stop our slide into near complete dependence on foreign sources of oil, and the President's budget contains a proposal to sell 67 million barrels of oil from the SPR in the year 2002.

I am dismayed by a recent trend toward using the SPR as a piggy bank to pay for other programs. The oil in the SPR cost an average of \$27 per barrel. We have sold it for anywhere from \$18 to \$20 per barrel. Buying high and selling low never makes sense. We're like the man in the old joke who was buying high and selling low who claimed that he would make it up on volume.

In the face of our growing oil dependence, and the administration's proposal to sell oil from the SPR, I can't resist noting the administration's opposition to the production of our domestic oil resources. The administration does not support the domestic storage or production of oil. They do not appear to like the reality that this Nation will continue to need petroleum. However, reality doesn't cease to be reality because we ignore it.

We have already invested a great deal of taxpayer money in these stockpiles. As proven during the Persian Gulf war, the stabilizing effect of an SPR drawdown far outstrips the volume of oil sold. The simple fact that the SPR is available can have a calming influence on oil markets. The oil is there, waiting to dampen the effects of an energy emergency on our economy. However, if we don't ensure that there is authority to use the oil when we need it, we will have thrown those tax dollars away.

So, the first step is to ensure that our emergency oil reserves are fully authorized and available to dampen the effects of the most severe supply disruptions. We are talking about people's lives and jobs. The least we can do is try to limit the possibility that this measure will be held hostage to political ambition.

I urge my colleagues to support the passage of this legislation. I would also like to introduce, by request, proposed legislation transmitted by the administration. I ask unanimous consent that the administration's transmittal letter be printed in the RECORD.

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

THE SECRETARY OF ENERGY,  
Washington, DC, March 6, 1997.

Hon. AL GORE,  
President of the Senate,  
Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a legislative proposal cited as the Energy Policy and Conservation Act Amendments of 1997. This proposal would amend and extend certain authorities in the Energy Policy and Conservation Act (EPCA) which either have expired or will expire September 30, 1997, as well as a weatherization provision in the Energy Conservation and Production Act.

The EPCA was enacted in 1975. Title I authorizes creation and maintenance of the Strategic Petroleum Reserve (the Reserve), which is the Nation's first line of defense in responding to domestic and international oil supply disruptions. Title II contains authorities essential for maintaining a continuing commitment to the International Energy Program administered by the International Energy Agency (IEA) in Paris. Effective participation by the United States in the IEA is critical to assuring our allies of our mutual energy emergency preparedness in the event of a severe interruption of international oil supplies. Title III contains authorities for certain energy efficiency and conservation programs.

As a result of changes in the overall energy environment since the Reserve was authorized in 1975, the Department is conducting a comprehensive review of Reserve policy. That review will be completed during fiscal year 1997. If the review results in recommendations for changes in title I of EPCA, the Department will submit a legislative proposal under separate cover. This would include proposals relating to title I similar to those submitted to the Congress in October 1995.

Since Reserve and other authorities under EPCA expire on September 30, 1997, it is necessary to extend, until September 30, 1998, authorization for EPCA titles I and II, and several provisions in title III, as well as the Department's weatherization program in title IV of the Energy Conservation and Production Act. The Administration also is proposing amendments to certain provisions in EPCA title II to ensure that the legal authorities for U.S. oil company participation in the IEA's emergency preparedness programs are fully in accord with current U.S. and IEA emergency response policy. The United States has long advocated a policy at the IEA of coordinated drawdown of government-controlled oil stockpiles (e.g., the Reserve) to respond to international oil supply disruptions, with reference on the IEA's emergency oil allocation program as a last resort. This is now IEA's accepted policy. Unfortunately, EPCA's current antitrust provisions do not enable U.S. oil companies to take part in the full range of IEA oil crisis planning activities. The Administration's proposed bill would amend the present limited antitrust defense available to U.S. oil companies to enable them to assist the IEA in planning or implementing a coordinated drawdown of government-controlled oil stockpiles.

The proposed legislation and a sectional analysis are enclosed. The Office of Management and Budget advises that submission of this proposal to the Congress would be in accord with the President's program.

We look forward to working with the Congress toward enactment of this legislation.

Sincerely,

CHARLES B. CURTIS,  
Acting Secretary.

#### SECTION-BY-SECTION

#### SECTION 2. ENERGY POLICY AND CONSERVATION ACT AMENDMENTS

Section 2 of the bill would amend the Energy Policy and Conservation Act.

Paragraph (1) would amend section 166 of EPCA to authorize appropriations necessary to implement the Strategic Petroleum Reserve for fiscal year 1998.

Paragraph (2) would amend section 181 of EPCA by extending the expiration date of title I, parts B and C from September 30, 1997 to September 30, 1998.

Paragraph (3) is a technical correction which would amend section 251(e)(1) by striking section "252(l)(1)" and inserting in lieu thereof "252(k)(1)."

Paragraph (4) would amend section 252 of EPCA, which makes available to United States oil companies a limited antitrust defense and breach of contract defense for actions taken to carry out a voluntary agreement or plan of action to implement the "allocation and information provisions" of the Agreement on an International Energy Program ("IEP"). These limited defenses are now available only in connection with the companies' participation in planning for and implementation of the IEP's emergency oil sharing and information programs. The amendment would extend the section 252 antitrust defense (but not the breach of contract defense) to U.S. companies when they assist the International Energy Agency ("IEA") in planning for and implementing coordinated drawdown of government-owned or government-controlled petroleum stocks. In 1984, largely at the urging of the United States, the IEA's Governing Board adopted a decision on "Stocks and Supply Disruptions" which established a framework for coordinating the drawdown of member countries' government-owned and government-controlled petroleum stocks in those oil supply disruptions that appear capable of causing severe economic harm, whether or not sufficient to activate the IEP emergency oil sharing and information programs. During the 1990-91 Persian Gulf crisis, the IEA successfully tested the new coordinated stockdraw policy.

Subparagraph (4)(A) would amend subsection 252 (a) and (b) of EPCA. These sections would be amended by substituting the term "international emergency response provisions" for the term "allocation and information provisions of the international energy program." The new term establishes the scope of oil company activities covered by the antitrust defense and includes actions to assist the IEA in implementing coordinated drawdown of petroleum stocks.

Subparagraph (4)(B) would amend paragraph 252(d)(3) of EPCA to clarify that a plan of action submitted to the Attorney General for approval must be as specific in its description of proposed substantive actions as is reasonable "in light of circumstances known at the time of approval" rather than "in light of known circumstances."

Subparagraph (4)(C) would amend paragraph 252(e)(2) of EPCA to give the Attorney General flexibility in promulgating rules concerning the maintenance of records by oil companies related to the development and carrying out of voluntary agreements and plans of action.

Subparagraph 4(D) would amend paragraph 252(f)(2) of EPCA to clarify that the antitrust defense applies to oil company actions taken to carry out an approved voluntary agreements as well as an approved plan of action.

Subparagraph 4(E) would amend section 252(h) of EPCA to strike the reference to section 708(A) of the Defense Production Act of 1950, which was repealed by Public Law 102-558 (October 28, 1992), and the reference to the Emergency Petroleum Allocation Act of 1973, which expired in 1981.

Subparagraph 4(F) would amend subsection 252(i) of EPCA to require the Attorney General and the Federal Trade Commission to submit reports to Congress and to the Presi-

dent on the impact of actions authorized by section 252 on competition and on small businesses annually rather than every six months, except during an "international energy supply emergency," when the reports would be required every six months.

Subparagraph 4(G) would amend paragraph 252(k)(2) of EPCA by substituting a definition of the term "international emergency response provisions" for the present definition of "allocation and information provisions of the international energy program." The new term, which establishes the scope of company actions covered by the antitrust defense, covers (A) the allocation and information provisions of the IEP and (B) emergency response measures adopted by the IEA Governing Board for the coordinated drawdown of stocks of petroleum products held or controlled by governments and complementary actions taken by governments during an existing or impending international oil supply disruption, whether or not international allocation of petroleum products is required by the IEP.

Subparagraph 4(H) would amend subsection 252(l) of the EPCA to make clear that the antitrust defense does not extend to international allocation of petroleum unless the IEA's Emergency Sharing System has been activated.

Paragraph (5) would amend section 256(h) of EPCA to authorize appropriations for fiscal year 1998 for the activities of the interagency working group and interagency working subgroups established by section 256 of EPCA to promote exports of renewable energy and energy efficiency products and services.

Paragraph (6) would amend section 281 of EPCA by extending the expiration date of title II from September 30, 1997, to September 30, 1998.

Paragraph (7) would amend section 365(f)(1) to provide authorization for appropriations in fiscal year 1998 for State Energy Conservation Programs.

Paragraph (8) would amend section 397 to provide authorization for appropriations in fiscal year 1998 for the Energy Conservation Program for Schools and Hospitals.

Paragraph (9) would amend section 400BB to extend the authorization for the appropriation for the Alternative Fuels Truck Commercial Application Program to fiscal year 1998.

#### SECTION 3. ENERGY CONSERVATION AND PRODUCTION ACT AMENDMENT

Section 3 would amend section 422 of the Energy Conservation and Production Act to provide authorization for appropriation for the weatherization program in fiscal year 1998.●

By Mr. WARNER:

S. 418. A bill to close the Lorton Correctional Complex, to prohibit the incarceration of individuals convicted of felonies under the laws of the District of Columbia in facilities of the District of Columbia Department of Corrections, and for other purposes; to the Committee on the Judiciary.

#### THE LORTON CORRECTIONAL COMPLEX CLOSURE ACT

Mr. WARNER. Mr. President, it is a great pleasure today that I introduce the Lorton Correctional Complex Closure Act. For, while a small penitentiary with 60 inmates might have been acceptable in rural Fairfax County in 1916, when the prison was first established as a farming work force, to have over 7,000 inmates in the middle of the heavily populated modern area of Fairfax today, this Senator finds totally

unacceptable, legally, environmentally, and in terms of public safety.

The facts about Lorton clearly demonstrate that it should be removed. I say that, Mr. President, having worked on it for some 18 years that I have been here in the Senate. These facts clearly demonstrate that it must be removed in a reasonable period of time, recognizing that such removal requires careful planning, not only taking into consideration the needs of the people in the communities of Virginia, but many other considerations, among them humanitarian needs.

The current facility is inadequate and unsafe. The facilities now lack any institutional control, certainly not that measure of control that should be accorded an institution of this importance.

Also, on the question of rehabilitation, I do not think this facility today is serving to rehabilitative purpose, which is a very vital and important part of the ability to take people who have finished their sentences and equip them to return to society.

The antiquated management and physical structures mean the taxpayers in the District of Columbia get a very poor return on their investment, and a considerable part of the cost is directed to the citizens of the District of Columbia. With its far too many escapes and disastrous pollution record, this facility has continually degraded the quality of life for those living in the immediate area. This is the combination of facts that compels Congress, in my judgment, to end this unfairness to Virginia.

Now, part of the plan that the President of the United States is considering to revitalize the District includes Federal assumption of the District's correctional facilities, including those at the Lorton Prison Complex in Northern Virginia. The present proposal anticipates massive renovation of the existing prison and new construction, as well as a cost of nearly \$1 billion to the Federal taxpayer.

Now, Mr. President, that is just not going to happen. I have consistently advocated the closing of Lorton prison in its entirety throughout my 18 years of Senate service. Several years ago, Mr. President, I participated with others on both sides of the aisle, and with the House of Representatives, and we secured legislation and included initial appropriations to start the relocation of the Lorton facility. The mayor at that time and other District of Columbia officials refused even to make the first steps toward a site selection. We were stonewalled even though Congress had spoken, even though Congress had anted up the necessary funds to conduct that site selection and to begin the relocation.

I know of one community in a nearby State that was more than anxious to participate in the construction of a major modern facility. District officials looked the other way. I do not intend, and I say this respectfully to the

Senate and the President and his efforts, and I am not known around here as one to make threats, but I do not intend to abandon my goal to relocate Lorton. I say that again. I do not intend to abandon my effort to relocate the Lorton facility.

I wish to be fair and constructive. Consequently, I wish to make it clear that I will be a constructive working partner on the President's proposals as they relate to other aspects of the District of Columbia, because I believe the Nation's Capital needs the help on a wide range of issues. It is my hope to vote in support of a broad relief plan, provided, however, that the proposal contains a clear provision which is binding on D.C. officials, a provision that has a binding obligation on the part of those in the executive branch, the Federal Bureau of Prisons and others, to work with the District, to work with other jurisdictions on the relocation, if that is necessary. There could be a site right in the District: I know of one site that lends itself more than adequately to relocation. But unless those clear and binding provisions are in there for a relocation within a stipulated and reasonable time—and that timetable should be laid out—then I will fight this. I will fight this.

I wish to advise my colleagues that absent such clear plans to remove this facility, then I, the senior Senator from Virginia, would be forced to utilize to the fullest extent all rules of the U.S. Senate to block any proposal relating to the District of Columbia. It is as simple as that. I fervently hope I shall not do it, and I will work industriously to include that provision.

I look forward, as I say, to working with my colleagues in the Virginia delegation to have Congress finally put Lorton on the road for removal and relocation. I will work very closely with my good friend, the distinguished Representative from Virginia, Congressman TOM DAVIS, chairman of the Subcommittee on the District of Columbia of the House Committee on Government Reform and Oversight, who has shown incredible leadership on this issue. I cannot recall any Member of Congress on either side of the aisle who has worked more diligently and more conscientiously with very little return, if any, to him politically or otherwise, but nevertheless has plowed ahead to show leadership on resolving the tough issues relating to the Nation's Capital. TOM DAVIS is to be saluted and commended. I know Senator ROBB and Representatives FRANK WOLF and JIM MORAN from Virginia, as well, and the Governor and attorney general of Virginia, will do their best. The present Governor and attorney general, and hopefully their successors, will do their best to make the removal of Lorton a reality in the near future.

#### ADDITIONAL COSPONSORS

S. 25

At the request of Mr. FEINGOLD, the name of the Senator from Connecticut

[Mr. LIEBERMAN] was added as a cosponsor of S. 25, a bill to reform the financing of Federal elections.

S. 28

At the request of Mr. THURMOND, the name of the Senator from Oklahoma [Mr. INHOFE] was added as a cosponsor of S. 28, a bill to amend title 17, United States Code, with respect to certain exemptions from copyright, and for other purposes.

S. 146

At the request of Mr. ROCKEFELLER, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 146, a bill to permit Medicare beneficiaries to enroll with qualified provider-sponsored organizations under title XVIII of the Social Security Act, and for other purposes.

S. 184

At the request of Mr. D'AMATO, the name of the Senator from Hawaii [Mr. INOUE] was added as a cosponsor of S. 184, a bill to provide for adherence with the MacBride Principles of Economic Justice by United States persons doing business in Northern Ireland, and for other purposes.

S. 221

At the request of Mr. HAGEL, his name was added as a cosponsor of S. 221, a bill to amend the Social Security Act to require the Commissioner of Social Security to submit specific legislative recommendations to ensure the solvency of the Social Security trust funds.

S. 286

At the request of Mr. ABRAHAM, the name of the Senator from Arkansas [Mr. HUTCHINSON] was added as a cosponsor of S. 286, a bill to provide for a reduction in regulatory costs by maintaining Federal average fuel economy standards applicable to automobiles in effect at current levels until changed by law, and for other purposes.

S. 317

At the request of Mr. CRAIG, the names of the Senator from Nebraska [Mr. KERREY] and the Senator from Arkansas [Mr. HUTCHINSON] were added as cosponsors of S. 317, a bill to reauthorize and amend the National Geologic Mapping Act of 1992.

S. 370

At the request of Mr. GRASSLEY, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of S. 370, a bill to amend title XVIII of the Social Security Act to provide for increased Medicare reimbursement for nurse practitioners and clinical nurse specialists to increase the delivery of health services in health professional shortage areas, and for other purposes.

S. 371

At the request of Mr. GRASSLEY, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of S. 371, a bill to amend title XVIII of the Social Security Act to provide for increased Medicare reimbursement for physician assistants, to