Brenda K. Wolter

The following regular officers of the U.S. Coast Guard for appointment to the grade of rear admiral:

Robert C. North	John T. Tozzi
Timothy W. Josiah	Thomas H. Collins
Fred L. Ames	Ernest R. Riutta
Richard M. Larrabee III	

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. MCCONNELL:

S. 675. A bill to amend the Internal Revenue Code of 1986 to modify the application of the passive loss limitations to equine activities; to the Committee on Finance.

By Mr. MURKOWSKI (for himself and Mr. COCHRAN):

S. 676. A bill to amend the Internal Revenue Code of 1986 to increase the standard mileage rate deduction for charitable use of passenger automobiles; to the Committee on Finance.

By Ms. MOSELEY-BRAUN:

S. 677. A bill to amend the Immigration and Nationality Act of 1994, to provide the descendants of the children of female United States citizens born abroad before May 24, 1934, with the same rights to United States citizenship at birth as the descendants of children born of male citizens abroad; to the Committee on the Judiciary.

By Mr. LEAHY:

S. 678. A bill to provide for the appointment of additional Federal circuit and district judges, and for other purposes; to the Committee on the Judiciary.

By Mr. ROCKEFELLER:

S. 679. A bill for the relief of Ching-hsun and Ching-jou Sun; to the Committee on the Judiciary.

By Ms. SNOWE:

S. 680. A bill to amend the Internal Revenue Code of 1986 to allow a credit for interest paid on loans for higher education, to provide for education savings accounts, and for other purposes; to the Committee on Finance.

By Mr. GRAHAM (for himself and Mr. MACK):

S. 681. A bill to designate the Federal building and United States courthouse located at 300 Northeast First Avenue in Miami, Florida, as the ''David W. Dyer Federal Courthouse''; to the Committee on Environment and Public Works.

By Mr. HARKIN (for himself and Mr. FORD):

S. 682. A bill to amend title 32, United States Code, to make available not less than $200,000,000 each fiscal year for funding of activities under National Guard drug interdiction and counterdrug activities plans; to the Committee on Armed Services.

By Mr. STEVENS:

S. 683. A bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Library of Congress; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CONRAD (for himself, Mr. DASCHLE, Mr. DORGAN, Mr. GRAMS, Mr. JOHNSON, and Mr. WELLSTONE):

S. 684. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide assistance to local educational agencies in cases of certain disasters, and for other purposes; to the Committee on Environment and Public Works.

By Mr. CAMPBELL:

S. 685. A bill to amend the Internal Revenue Code of 1986 to extend the work opportunity tax credit for an additional fiscal year; to the Committee on Finance.

By Mr. SARBANES (for himself, Mr. HUTCHINSON, and Mr. TORRICELLI):

S. 686. A bill to establish the National Military Museum Foundation, and for other purposes; to the Committee on Armed Services.

By Mr. JEFFORDS:

S. 687. A bill to enhance the benefits of the national electric system by encouraging and supporting State programs for renewable energy sources, universal electric service, affordable electric service, and energy conservation and efficiency, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BIDEN (by request):

S. 688. A bill to amend the Higher Education Act of 1965 to authorize Presidential Honors Scholarships to be awarded to all students who graduate in the top five percent of their secondary school graduating class, to promote and recognize high academic achievement in secondary school, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BROWNBACK (for himself, Mr. KENNEDY, Mr. D'AMATO, Mr. STEVENS, Mr. HOLLINGS, Mr. HELMS, Mr. MOYNIHAN, Mr. COCHRAN, Mr. DODD, Mr. WARNER, Mr. HARKIN, Mr. NICKLES, Mr. BIDEN, Mr. DOMENICI, Mr. GLENN, Mr. HATCH, Mr. KERRY, Mr. SPECTER, Mr. BREAUX, Mr. GRAMM, Mr. LIEBERMAN, Mr. SHELBY, Mrs. FEINSTEIN, Mr. JEFFORDS, Ms. MOSELEY-BRAUN, Mr. COATS, Mr. REID, Mr. MACK, Mr. CRAIG, Mr. CAMPBELL, Mr. FAIRCLOTH, Mr. COVERDELL, Mr. KEMPTHORNE, Mr. INHOFE, Mr. DEWINE, Mr. SANTORUM, Mr. ASHCROFT, Mr. ABRAHAM, Mr. FRIST, Mr. HUTCHINSON, Mr. SMITH of Oregon, Ms. COLLINS, Mr. ENZI, Mr. ROBERTS, and Mr. SESSIONS):

S. 689. A bill to authorize the President to award a gold medal on behalf of the Congress to Mother Teresa of Calcutta in recognition of her outstanding and enduring contributions through humanitarian and charitable activities, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BREAUX (for himself, Mr. COCHRAN, Mr. CONRAD, Mr. DORGAN, Ms. MOSELEY-BRAUN, Mr. REID, Mr. ROCKEFELLER, Mr. DASCHLE, and Mr. ROBB):

S. 690. A bill to amend title XVIII of the Social Security Act to improve preventive benefits under the Medicare program; to the Committee on Finance.

By Mr. INOUYE (for himself, Mr. LEVIN, Mr. D'AMATO, Mr. HARKIN, Mr. CLELAND, Mr. GREGG, Mr. AKAKA, Mr. LEAHY, Mr. FORD, Mrs. FEINSTEIN, Mr. ROBB, Mr. WARNER, and Mr. STEVENS):

S.J. Res. 29. A joint resolution to direct the Secretary of the Interior to design and construct a permanent addition to the Franklin Delano Roosevelt Memorial in Washington, D.C., and for other purposes; considered and passed.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MCCONNELL:

S. 675. A bill to amend the Internal Revenue Code of 1986 to modify the application of the passive loss limitations to equine activities; to the Committee on Finance.

THE EQUINE TAX FAIRNESS ACT OF 1997

Mr. MCCONNELL. Mr. President, I rise today to introduce a bill to amend the Internal Revenue Code to modify application of passive loss limitations to horse activities.

This week the eyes of the sporting world are focused on the 123d running of the Kentucky Derby at Churchill Downs in Louisville, KY. While it is considered one of the greatest sporting events in the world, the Kentucky Derby is part of a much larger and broader horse industry—one that has a $112 billion economic impact in the United States and supports 1.4 million jobs.

Whether it is owning, breeding, racing, or showing horses—or simply enjoying an afternoon ride along the trail—1 of 35 Americans is touched by the horse industry. There are 6.9 million horses in the U.S. involving more than 7.1 million Americans as horse owners, service providers, employees and volunteers. In Kentucky alone, the horse industry has an impact of $3.4 billion, involving 150,000 horses and 52,900 employees.

What supports the industry—including the job base, the breeding farms, and the revenue stream in the form of $1.9 billion in taxes to all levels of government—is the investment in the horses themselves. The horse industry relies on outside investment to operate, just as other businesses do. Without others willing to buy and breed horses, the 1.4 million jobs supported by this industry are at stake.

Since the Tax Reform Act of 1986, the horse industry has experienced a near-devastating decline with job losses occurring at racetracks, horse farms, and industry suppliers. In addition, hundreds of breeding farms have gone out of business. Most horse owners and breeders believe that the limits on passive losses are a major reason for the decline as well as for the chilled interest of investors in horses. Since the mid-1980's, the number of horses bred and registered has decreased—leading to losses in jobs and revenues for the States.

The 1986 act indicates that in order to satisfy the material participation requirement, a person's involvement must be regular, continuous, and substantial. However, the horse industry is unique, and the passive loss rules are difficult for some to satisfy. Because of the expertise and physical ability that is required, many owners cannot ride, train, breed and show their horses.

The bill I introduce today will alter these requirements to make them fair, workable, and enforceable. I ask unanimous consent that it be printed in the RECORD.

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

S. 675

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 ''Equine Tax Fairness Act of 1997''.

SEC. 2. APPLICATION OF PASSIVE LOSS LIMITATIONS TO EQUINE ACTIVITIES.

(a) DETERMINATION OF MATERIAL PARTICIPATION.—Subsection (h) of section 469 of the Internal Revenue Code of 1986 (defining material participation) is amended by adding at the end the following new paragraph:

''(6) TREATMENT OF EQUINE ACTIVITIES.—

''(A) IN GENERAL.—A taxpayer shall be treated as materially participating in an equine activity for a taxable year if—

''(i) the taxpayer's participation in such activity for such year constitutes substantially all of the participation in the activity of all individuals for such year, other than individuals—

''(I) who are not owners of interest in the activity,

''(II) who are retained and compensated directly by the taxpayer, and

''(III) whose activities are subject to the oversight, supervision, and control of the taxpayer, or

''(ii) based on all of the facts and circumstances, the taxpayer participates in the activity on a regular, continuous, and substantial basis during such year, except that for purposes of this clause—

''(I) the taxpayer shall not be required to participate in the activity for any minimum period of time during such year, and

''(II) the performance of services by individuals who are not owners of interests in the activity shall not be considered if such services are routinely provided by individuals specializing in such services and such services are subject to the oversight, supervision, and control of the taxpayer.

''(B) PARTNERS AND S CORPORATION SHAREHOLDERS.—Subject to paragraph (2), the determination of whether a partner or S corporation shareholder shall be treated as materially participating in any equine activity of the partnership or S corporation shall be based upon the combined participation of all of the partners or shareholders in the activity.

''(C) EQUINE ACTIVITY.—For purposes of this paragraph, the term 'equine activity' means breeding, racing, or showing horses.''

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the amendments made by section 501 of the Tax Reform Act of 1986.

By Mr. MURKOWSKI (for himself and Mr. COCHRAN):

S. 676. A bill to amend the Internal Revenue Code of 1986 to increase the standard mileage rate deduction for charitable use of passenger automobiles; to the Committee on Finance.

THE CHARITABLE EQUITY MILEAGE ACT OF 1997

Mr. MURKOWSKI. Mr. President, in the past week, we have heard a great deal of discussion regarding voluntarism in America. In Philadelphia, President Clinton has been joined by former President Bush and former Chairman of the Joint Chiefs of Staff, Colin Powell, in what has been styled a voluntarism summit.

On the floor of the Senate, we have been attempting to move legislation, which I believe should not be controversial, that would protect volunteers from fear of legal actions resulting from their efforts. I would hope that the impasse over this bill could be broken and we could move forward on this important bill.

In the spirit of encouraging more volunteer efforts in America, I am today introducing the Charitable Equity Mileage Act of 1997. This bill will increase the standard mileage rate deduction for charitable use of an automobile from 12 cents a mile to 18 cents a mile. I think this bill should be unanimously supported by my colleagues on both sides of the aisle.

Mr. President, many of our citizens who volunteer for charitable activities incur expenses for which they are not reimbursed. For example, when an individual uses his or her automobile to deliver a meal to a homebound elderly individual, or to transport children to Scouting activities, the volunteer usually pays the transportation cost out of pocket with no expectation of reimbursement.

I believe the costs associated with charitable transportation services ought to be deductible at a rate which fairly reflects the individual's actual costs. This is especially important for volunteers living in rural States who have to travel long distances to provide community services.

Congress in 1984 set the standard mileage expense deduction rate of 12 cents per mile for individuals who use their automobiles in connection with charitable activities. At the time, the standard mileage rate for business use of an automobile was 20.5 cents per mile. In the intervening 13 years, the business mileage rate has increased to 30.5 cents per mile but the charitable mileage rate has remained unchanged at 12 cents per mile because Treasury does not have the authority to adjust the rate.

By raising the charitable mileage rate to 18 cents a mile, my legislation restores the ratio that existed in 1984 between the charitable mileage rate and the business mileage rate. In addition, the legislation authorizes the Secretary of the Treasury to increase the charitable mileage rate in the same manner as is currently allowed for business mileage expenses.

All of us agree that with the changing role of the Federal Government, we need to do more to encourage voluntarism in our country. Volunteers who provide transport services should be allowed to deduct such costs at a rate which fairly reflects their true out-of-pocket costs. That is precisely what this bill does and I urge my colleagues to join with me in sponsoring this important legislation.

Mr. President, I have a letter of support for my bill from the American Legion and I ask unanimous consent that this letter be printed in the RECORD.

I further ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 676

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 ''Charitable Travel Equity Act of 1997''.

SEC. 2. INCREASE IN STANDARD MILEAGE RATE EXPENSE DEDUCTION FOR CHARITABLE USE OF PASSENGER AUTOMOBILE.

(a) IN GENERAL.—Section 170(i) of the Internal Revenue Code of 1986 (relating to standard mileage rate for use of passenger automobile) is amended to read as follows:

''(i) STANDARD MILEAGE RATE FOR USE OF PASSENGER AUTOMOBILE.—

''(1) GENERAL RULE.—Except as provided in paragraph (2), for purposes of computing the deduction under this section for use of a passenger automobile, the standard mileage rate shall be 18 cents per mile.

''(2) TAXABLE YEARS BEGINNING AFTER 1998.—Not later than December 15 of 1998, and each subsequent calendar year, the Secretary may prescribe an increase in the standard mileage rate allowed under this subsection with respect to taxable years beginning in the succeeding calendar year if the Secretary determines that such increase is necessary to reflect increased costs in the use of passenger automobiles.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1996.

THE AMERICAN LEGION,
Washington, DC, April 24, 1997.

Hon. FRANK MURKOWSKI,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR MURKOWSKI: The American Legion fully supports the ''Charitable Travel Equity Act of 1997,'' to amend the Internal Revenue Code of 1986 to increase the standard mileage rate deduction for charitable use of passenger automobiles.

Not only does The American Legion applaud the increase in the mileage rate deduction, but more importantly this measure fixes the problem that has not allowed for incremental increases without an act of Congress action. The standard mileage rate deduction for business use of passenger automobiles has increased significantly while no adjustments were made in the charitable use rate. Granting the Secretary the authority to make prescribed adjustments will provide fairness and promote additional volunteerism.

Thank you for your continuous leadership on behalf of America's veterans and their dependents.

Sincerely,

STEVE ROBERTSON,
Director, National Legislative Commission.

By Ms. MOSELEY-BRAUN:

S. 677. A bill to amend the Immigration and Nationality Act of 1994, to provide the descendants of the children of female U.S. citizens born abroad before May 24, 1934, with the same rights to U.S. citizenship at birth as the descendants of children born of male citizens abroad; to the Committee on the Judiciary.

THE EQUITY IN TRANSMISSION OF CITIZENSHIP ACT OF 1997

Ms. MOSELEY-BRAUN. Mr. President, I am introducing a bill today that will amend legislation written by my former colleague, the distinguished Senator from Illinois, Paul Simon, and enacted into law. Three years ago, Senator Simon was the leader in enacting the Immigration and Nationality and Technical Corrections Act of 1994. My bill seeks to add a further correction to the Immigration and Nationality Act, so that the spirit and intent of Senator Simon's work is enacted into law.

Prior to 1934, a child born overseas to a U.S. father and a foreign mother was recognized by the United States as a U.S. citizen. However, a child born overseas to a U.S. mother and a foreign father was considered to be a foreign national, not a U.S. citizen. Effectively, therefore, before 1994, U.S. fathers could pass on their citizenship to children born overseas, but U.S. mothers could not. Senator Simon sought to remedy this gender inequality by automatically granting U.S. citizenship to those individuals born overseas to U.S. mothers before 1934. Under his legislation, the Immigration and Nationality and Technical Corrections Act of 1994, the children of American mothers and foreign fathers became U.S. citizens.

His legislation also contained language to address the third generation—the children of these children. It is likely that the grandchildren of the U.S. mothers and foreign fathers would have been U.S. citizens had their children been U.S. citizens. Therefore, the 1994 law also granted U.S. citizenship to these grandchildren.

This provision granting citizenship to the grandchildren, however, contradicted another section of the Immigration and Nationality Act [INA]. INA states that in order to transmit U.S. citizenship from a parent to a child born overseas, the parent must have lived in the United States for 10 years. A U.S. citizen who has a child overseas needs to have lived in the United States over a 10-year period to pass on U.S. citizenship to his or her children. This transmission requirement is gender neutral, and applies to all U.S. citizens who have children overseas.

Senator Simon's law did not specifically waive this transmission requirement for the third generation, although the language of the bill clearly stated that it intended to grant citizenship to the grandchildren of the American mothers. The lawyers at INS have concluded that the transmission requirement must be met in order to pass citizenship onto the grandchildren of the American mothers and foreign fathers. In other words, INS is requiring the third generation to show that the second generation lived in the United States for 10 years in order to pass citizenship to the third generation.

This is impossible given that the second generation was never allowed to live in the United States because they were not citizens until 1994. Thus the provision of the 1994 law granting citizenship to these grandchildren was never implemented.

The purpose of my bill is to waive the transmission requirement for the grandchildren of the American mothers and foreign fathers. The third generation will not have to show that the second generation lived in the United States for 10 years. They will be granted citizenship even though their parents did not live in the United States for 10 years. This bill will help a small number of people who should have been U.S. citizens by birth. It will ensure that the spirit of Senator Simon's legislation is enacted into law. I urge my colleagues to support this legislation.

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

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

S. 677

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 ''Equity in Transmission of Citizenship Act of 1997''.

SEC. 2. FINDINGS.

Congress finds that—

(1) since the children born abroad to United States citizen mothers before May 24, 1934, only became entitled to claim United States citizenship, acquired at birth, as of October 25, 1994, with the enactment of Public Law 103–416, they were not legally admissible into the United States as citizens prior to that date; and

(2) therefore, they could not meet the residency requirements to transmit United States citizenship onto their children as the children of male United States citizens could.

SEC. 3. EQUAL TREATMENT OF CHILDREN BORN ABROAD OF FEMALE UNITED STATES CITIZENS IN CONFERRING CITIZENSHIP TO CHILDREN BORN ABROAD.

(a) IN GENERAL.—Section 101 of Public Law 103–416 is amended by amending subsection (d) to read as follows:

''(d) WAIVER OF TRANSMISSION REQUIREMENTS.—The parental physical presence requirement contained in section 301(g) of the Immigration and Nationality Act shall not apply to any person born before the date of enactment of this Act who claims United States citizenship based on such person's descent from an individual described in section 301(h) of the Immigration and Nationality Act.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be deemed to have become effective as of October 25, 1994.

By Mr. LEAHY:

S. 678. A bill to provide for the appointment of additional Federal circuit and district judges, and for other purposes; to the Committee on the Judiciary.

THE FEDERAL JUDGESHIP ACT OF 1997

Mr. LEAHY. In that regard, today being Law Day I think we should honor the Federal judiciary. We have a political climate where many of my colleagues bash the Federal judiciary on a daily basis and propose legislation that threatens a time-honored independence of the Federal judiciary. I think our Nation's judges deserve our respect, admiration, and support—not our disdain, scorn, and antipathy. Anywhere you go in the world you will find that one of the things that stands out, one of the things admired most about the United States, is the independence of our Federal judiciary.

For the past 200 years, they protected the freedoms and fundamental rights we all take for granted. You could ask, where would our cherished rights like first amendment-protected free speech and the right of religious freedom be without the Federal courts? It is ironic that the right of free speech that the Federal judiciary bashers take for granted in the war against judges has been protected time and time again by those very same judges.

It is our independent judiciary that handed down landmark decisions like Brown versus Board of Education. Without our independent judiciary, how long would African-American children have to suffer deplorable conditions in substandard schools? I remember after Brown versus Board of Education, we had the bumper stickers and billboards, ''Impeach Earl Warren,'' and ''Impeach the Supreme Court.'' Well, only because they were politically independent could they hand down a decision so unpopular at the time, but so recognized today universally as the right decision. I shudder to think where we would be today with Federal judges who are tied to the political whims of the moment. We should talk about where the country would be without independent Federal judges.

The nonpartisan Judicial Conference of the United States has proposed changes in the makeup of our courts. It has been 7 years since Congress last seriously reexamined the caseload of the Federal judiciary.

Mr. President, our judges do an admirable job under tough conditions. They endure constant criticism and heavy caseloads. Contrary to what some of my Republican colleagues have stated, there is a need for more Federal judges.

The Judicial Conference of the United States, the nonpartisan policymaking arm of the judicial branch, believes that the continuing heavy caseload of our courts of appeals and district courts merit additional judges. Overworked judges and heavy caseloads slow down the judicial process, and as we all know, justice delayed is justice denied. Mr. President, we must act now.

Mr. President, on Law Day, a day to commemorate our Nation's legal system and the freedoms it is designed to protect, I introduce the Federal Judgeship Act of 1997. This legislation, identical to the recommendations of the nonpartisan Judicial Conference of the United States, would create 12 additional permanent judgeships and five temporary judgeships for the U.S. Court of Appeals; and 24 additional permanent judgeships and 12 temporary judgeships for the U.S. district courts.

In 1984, Congress passed a bill to address the need for additional judgeships. Six years later, in 1990, Congress again fulfilled its constitutional responsibility and enacted the Federal Judgeship Act of 1990 because of a sharply increasing caseload, particularly for drug-related crimes.

It is now 7 years since Congress last seriously reexamined the caseload of the Federal judiciary and the need for more Federal judges. Let us act now.

Let us fulfill our constitutional responsibilities. Let us ensure that justice is not delayed or denied for anyone.

By Mr. ROCKEFELLER:

S. 679. A bill for the relief of Chinghsun and Ching-jou Sun; to the Committee on the Judiciary.

PRIVATE RELIEF LEGISLATION

Mr. ROCKEFELLER. Mr. President, today, I am introducing a private relief bill that is based on careful reflection and a sincere desire to help a family of importance to me and my State of West Virginia.

This is an effort to assist an individual named Jack Sun who is a prominent international businessman and multinational manager with permanent residence status in the United States. Mr. Sun sought and obtained permanent residence in the United States to enable him to pursue economic business and ties between his native Taiwan and the United States.

Of great significance to West Virginia, in his capacity as Chairman of Taiwan Aerospace Corp., Jack Sun has been instrumental in forging a Taiwan/United States joint venture named Sino Swearingen, Inc., that will build state-of-the-art business jets in my home State of West Virginia. Taiwan Aerospace Corp., and its Taiwanese coinvestors have to date committed an amount in excess of $150 million to finance this joint venture. Sino Swearingen, Inc., is expected to employ around 800 people at this West Virginia site when it becomes fully operational.

As someone who knows Jack Sun personally and has worked closely with him to pursue this new investment and jobs opportunity for West Virginia, I know him to be an honorable individual. He is an internationally respected business leader, well known to the American business community. Jack Sun has worked extremely hard to develop and maintain strong personal and business ties in the United States. In addition to his business activities, Jack Sun is active in the cultural and academic life of both Taiwan and the United States. He also sits on the University of Southern California School of Business Administration's CEO board of advisors.

Jack Sun, in his capacity as president of Pacific Electric Wire & Cable Co., Ltd, has, over the past 10 years, directed significant investments into the United States and has created thousands of jobs for Americans. Mr. Sun is the president of Pacific USA Holdings Corp. headquartered in Dallas, TX. Pacific USA Holdings Corp. is a diversified holding company whose business activities encompass commercial banking, home building, mortgage and investment banking, property development, insurance and technology services, to name but a few. Pacific USA Holdings Corp. and its subsidiaries now employ more than 2,000 U.S. workers.

Jack Sun also serves as director of the Iridium project which is an international alliance sponsored by Motorola, Inc., whose purpose is to create a global network of telecommunications systems through the use of low-orbiting satellites.

The purpose of this private bill is to attempt to assist Jack Sun in expediting the completion of the permanent residence process that is well underway through conventional procedures for his two youngest children, Ching-Jou Sun, age 8, and Ching-Hsun Sun, age 6. Jack Sun's three eldest children received their permanent residence status on April 28, 1992.

Regarding this bill, in July, 1995, a petition for alien relative was filed on behalf of ching-jou and Ching-Hsun Sun. The Immigration and Naturalization Service approved the petitions on January 30, 1996. Upon approval of the petitions, the children were assigned a priority date of July 26, 1995.

However, Jack Sun and his attorney have been informed by the Department of State's Bureau of Consular Affairs, that in the preference category for which Ching-Jou and Ching-Hsun Sun have been approved, the number of people approved for issuance of visas far exceeds the number of visas currently available for actual issuance. Consequently, the children have been assigned a priority date that is a place on the waiting list. The National Visa Center states that based upon the current conditions and backlog, the priority date held by Ching-Jou and Ching-Hsun Sun will not be reached for more than 4 years.

Ching-Jou and Ching-Hsun Sun are now in the process of waiting for their green cards which would enable them to live and go to school in the United States with their sisters and brother. To add to the problem, during this waiting period, the children cannot even travel with their father and family in the United States. The children cannot obtain even a visitor's visa because they have already indicated their immigration intent.

Although the petitions were approved on behalf of Ching-Hsun Sun and Ching-Jou Sun, the prolonged continuation of the waiting period has created personal hardships for Jack Sun, and his family. Jack Sun's three oldest children permanently reside in Pasadena, CA. The two oldest daughters presently attend the University of Southern California. Jack Sun simply would like his family to be together as much as possible. This means he wishes to be able to travel with his children to the United States, and to unify his family. Under the present circumstances, the family is split, three children holding permanent residence status and living in the United States, while the two youngest children have to remain in Taiwan during this prolonged waiting period and the potential 6 year delay before achieving visas for permanent residence status.

This forced separation creates a particular hardship because of the ages of the children. The children are not permitted to travel with their father and are separated from their father and siblings for years to come. Jack Sun frequently and extensively travels to the United States to oversee his business operations.

There is simply no further administrative procedure to use to resolve this situation for the Sun family and these two children. They are confronted with an extraordinarily long delay waiting for visas already approved to actually become available. No administrative remedy exists to cure this situation. No further relief is available from the Immigration and Naturalization Service or any other agency. The relevant administrative agencies, including the Immigration and Naturalization Service and the National Visa Center at the State Department, have informed Jack Sun and his attorney that there is no administrative vehicle to expedite conclusion of the permanent residence process.

Therefore, I have decided to seek a legislative remedy for Jack Sun's family. After carrying out all the steps needed to obtain approval for resident status, they face a 6-year waiting period that now condemns a father and children to prolonged periods of separation.

Because of my respect for Jack Sun and deep appreciation for the role he has played in locating a major new source of jobs and opportunity for West Virginians, I am asking Congress to take the legislative action required to relieve a family of undue hardship and separation solely resulting from the grim reality that two children would otherwise have to wait 6 years to get visas they already have been approved for. I believe this is just the example of an extraordinary personal situation that merits congressional assistance and action.

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. 679

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

SECTION 1. PERMANENT RESIDENCE.

Notwithstanding any other provision of law, for purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Chinghsun Sun and Ching-jou Sun shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees.

SEC. 2. REDUCTION OF NUMBER OF AVAILABLE VISAS.

Upon the granting of permanent residence to Ching-hsun Sun and Ching-jou Sun as provided in this Act, the Secretary of State shall instruct the proper officer to reduce by the appropriate number during the current fiscal year the total number of immigrant visas available to natives of the country of the aliens' birth under section 203(a) of the Immigration and Nationality Act (8 U.S.C. 1153(a)).

By Mr. GRAHAM (for himself and Mr. MACK):

S. 681. A bill to designate the Federal building and U.S. courthouse located at 300 Northeast First Avenue in Miami, FL, as the ''David W. Dyer Federal Courthouse''; to the Committee on Environment and Public Works.

DAVID W. DYER FEDERAL COURTHOUSE LEGISLATION

Mr. GRAHAM. Mr. President, today I have the distinct pleasure to introduce legislation that would redesignate the Old Federal Courthouse in Miami, FL, the ''David W. Dyer Federal Courthouse.''

Residing behind the bench for over 30 years, Judge Dyer distinguished himself as one of the finest jurists in the State of Florida, and his commitment to public service dates back to his service in the U.S. Army during World War II.

In 1961, President John F. Kennedy appointed him to the District Court for the Southern District of Florida. At the time the Southern District included Tampa, Jacksonville, and Miami. The following year the district was pared down and he became the initial chief judge of the reconfigured Southern District. Judge Dyer would continue to serve in this capacity for the next 4 years.

President Lyndon Johnson then appointed him to the U.S. Court of Appeals for the Fifth Circuit in 1966. This marked the first time that anyone from Miami had been honored with the opportunity to serve on the court of appeals. In 1977, Judge Dyer rose to the position of senior judge for the fifth circuit and carried this status over into the Eleventh Circuit Court of Appeals.

During the turbulent 1960's, Judge Dyer participated in a number of civil rights cases. This period was an era when the Federal courts were called to implement the constitutional ideal of equal justice under the law for all Americans. It was a proud time in our legal history and Judge Dyer is part of that legacy. In one such case, he was responsible for the desegregation of the restaurants on the Florida Turnpike.

Judge Dyer served his community in a variety of other capacities. He is a former member of the board of governors and executive committee of the Florida Bar, as well as the board of governors of the Maritime Law Association. He also served as president of the Dade County Bar, the largest in Florida.

Judge Dyer has been an inspirational model for two generations of lawyers. He has shown through his example what integrity of character, sound judgment, and courage of conviction can achieve in implementing our highest ideals.

Mr. President, Judge Dyer spent much of his life working out of the Old Federal Courthouse in Miami. Passage of this legislation to redesignate the building in Judge Dyer's name would be a small, but fitting token of appreciation that America and its judicial system owe Judge Dyer for his years of distinguished service. I urge my colleagues to support me in enacting this measure.

By Mr. HARKIN (for himself and Mr. FORD):

S. 682. A bill to amend title 32, United States Code, to make available not less than $200,000,000 each fiscal year for funding of activities under National Guard drug interdiction and counterdrug activities plans; to the Committee on Armed Services.

NATIONAL GUARD COUNTERDRUG STATE PLAN PROGRAM LEGISLATION

Mr. HARKIN. Mr. President, the National Guard has a history of superb performance in supporting the needs of law enforcement agencies and community antidrug coalitions. Every day the National Guard has nearly 4,000 soldiers and airmen on full-time counter drug duty. Three-hundred and seventy-three in support of the Drug Enforcement Agency [DEA], 625 in support of U.S. Customs, and 3,000 more in support of local, State, and Federal law enforcement agencies in every State in the Nation.

Unfortunately, for the last 5 years, this successful program has been on a budget rollercoaster. For example, funding for the fiscal year 1998 National Guard Counterdrug State plans program will result in a 42-percent cut in the amount actually available to State plans from the fiscal year 1997 level. It is tough to maintain program consistency when the funding level fluctuates each year. Legislation I am introducing today, along with Senator FORD, the co-chairman of the National Guard Caucus, will stabilize funding for the National Guard Counterdrug State plans program at no less than $200 million each fiscal year.

Iowa law enforcement, as well as law enforcement across the United States, relies heavily on the help of the National Guard in their drug fighting efforts. The National Guard provides personnel and equipment to local law enforcement agencies. Guard men and women assist with analytical and technical support so that criminal investigators can be out on the street. The Iowa High Intensity Drug Trafficking Area [HIDTA] task force plans to utilize National Guard support as part of their efforts to fight methamphetamine trafficking in Iowa. Guard men and women also work in partnership with the Community Anti-drug Coalition of America and expect to reach 10 million young people in the country to help educate and motivate them to reject the use of illegal drugs.

As we face unprecedented drug problems in Iowa and across the Nation, it is necessary to maintain consistent funding for the drug fighting efforts of the National Guard. Not only does the National Guard Counterdrug Program free up criminal investigators to fight crime on the streets, it provides an avenue for cooperation that makes enforcement more efficient as well. This program traditionally enjoys bipartisan support and affects law enforcement all across the United States. I encourage my colleagues to support this important legislation.

By Mr. STEVENS:

S. 683. A bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Library of Congress; to the Committee on Banking, Housing, and Urban Affairs.

THE LIBRARY OF CONGRESS BICENTENNIAL COMMEMORATIVE ACT OF 1997

Mr. STEVENS. Mr. President, today I am introducing legislation that would authorize the minting of silver $1 coins and gold $5 coins in commemoration of the bicentennial of the Library of Congress. The year 2000 will mark this important event for the Congress and the Nation. Over the past two centuries, the U.S. Congress has built its library into America's library and the greatest repository of recorded knowledge and creativity in the history of the World.

Proceeds from the coin will help the library support bicentennial programs, educational outreach, and other activities including programs with schools and libraries across the Nation.

The Library of Congress' bicentennial merits a U.S. commemorative coin. The library is an institution that has an enduring effect on the Nation's culture and history. As vice chairman of the Joint Committee on the Library, I am pleased to offer this legislation and I welcome and encourage my colleagues to join as cosponsors.

By Mr. CONRAD (for himself, Mr. DASCHLE, Mr. DORGAN, Mr. GRAMS, Mr. JOHNSON, and Mr. WELLSTONE):

S. 684. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide assistance to local educational agencies in cases of certain disasters, and for other purposes; to the Committee on Environment and Public Works.

DISASTER RELIEF LEGISLATION

Mr. CONRAD. Mr. President, last week on several occasions I spoke about the devastating impact of the floods along the Red River Valley on the residents of the communities in North Dakota, South Dakota, and Minnesota.

I note that the current occupant of the chair sent me a very gracious note about the fact that he has relatives in North Dakota. I want to acknowledge his offer to help, which we appreciate very much.

The impact of the floods on small communities and the city of Grand Forks, ND has been extraordinary. In Grand Forks alone, more than 60,000 residents have been evacuated to temporary shelters. Much of downtown Grand Forks has been destroyed by fires, and an estimated 28 to 35 schools and higher education facilities have been severely damaged or destroyed by the floods.

This disaster has left more than 11,000 elementary and secondary students and 10,500 university students

without school facilities for classroom instruction. Many of these elementary and secondary students are attending classes in more than 30 school districts across the State. The North Dakota Office of Management and Budget has estimated that damage to local education facilities, as well as the unanticipated costs to provide education services for displaced students around the State, may exceed $250 million.

Mr. President, local school districts and the North Dakota University system will need considerable assistance from the Department of Education and the Federal Emergency Management Agency [FEMA] to fully recover from this terrible disaster. I have been advised that FEMA, under the Robert Stafford Disaster Relief and Emergency Assistance Act, has the authority to provide assistance to local governmental agencies including school districts and the North Dakota University system, for repair of educational facilities.

FEMA, however, does not have authority under the Stafford Act to assist or reimburse a local school district for providing unanticipated educational services to displaced students.

Such emergency educational assistance was available in the past to local school districts from the Department of Education under Impact Aid, section 7—assistance for current school expenditures in cases of certain disasters. This law, unfortunately, was repealed in 1994 during consideration of the Improving America's School Act.

Prior to 1994, for example, school districts affected by natural disasters including Hurricane Andrew—1992—in Dade County, FL, and communities in 7 states impacted by the Midwest floods—1993—were eligible for disaster assistance to meet emergency education operating expenses. In North Dakota, more than 30 school districts throughout the State are assisting 11,000 displaced students from the Grand Forks area. Another 30,000 students in Minnesota are displaced and attending classes in school districts across the State. These school districts are in urgent need of similar emergency assistance.

Mr. President, today I am introducing legislation to restore the authority to provide this emergency education operations assistance for elementary and secondary schools. I am very pleased that Senators DASCHLE, JOHNSON, DORGAN, WELLSTONE, and GRAMS are joining me as cosponsors of this bill.

Under this legislation, FEMA would be authorized in section 403—essential assistance—to provide disaster assistance including transportation, emergency food services, and the costs for providing educational services to students who formerly attended other schools, including private schools, that were damaged or destroyed by disaster. This emergency assistance would also be available to schools funded by the Bureau of Indian Affairs provided the schools are in the area that has been declared a major disaster by the President.

As FEMA currently has the authority to restore educational facilities, I believe the agency is best equipped to respond quickly to the emergency operating needs of school districts affected by disasters. As I noted earlier, school districts in 7 states affected by Midwest floods and Dade County schools impacted by Hurricane Andrew benefited from this emergency assistance in 1992–94. There is no question that school districts in North Dakota, South Dakota, and Minnesota urgently need similar assistance. I intend to offer this legislation as part of the supplemental disaster assistance measure when it reaches the Senate floor. I hope my colleagues will support this urgent need.

By Mr. CAMPBELL:

S. 685. A bill to amend the Internal Revenue Code of 1986 to extend the work opportunity tax credit for an additional fiscal year; to the Committee on Finance.

LEGISLATION TO EXTEND THE WORK OPPORTUNITY TAX CREDIT

Mr. CAMPBELL. Mr. President, today I am introducing legislation which would provide for a 1-year extension of the work opportunity tax credit, authorizing the credit beyond this fiscal year through the end of fiscal year 1998.

My colleagues know well the history behind the work opportunity tax credit. It is the successor to the targeted jobs tax credit which expired 2 years ago and which received some criticism that it was an ineffective incentive mechanism. However, Congress felt that there could be some type of worthwhile incentive which could encourage employers to hire individuals from economically disadvantaged groups, and as a result, the credit was revised, renamed the work opportunity tax credit, and incorporated into the Small Business Job Protection Act (P.L. 104–188), which the Congress passed and the President signed into law last year.

The revised tax credit, with tougher standards, such as in the area of certification and retention requirements, was authorized for 1 fiscal year and is set to expire on September 30, 1997. The legislation I am introducing today would simply provide for an extension of the work opportunity tax credit for 1 additional fiscal year, through September 30, 1998.

There are several reasons for the extension. First, employers now have a tax incentive to hire individuals from targeted economically disadvantaged groups, providing these individuals with jobs and valuable work experience. In the wake of the historic welfare reform legislation which was signed into law last year, I believe this incentive to put people to work is a vital one, and it should be given the opportunity to work.

Second, Congress authorized this credit for 1 year to allow the Department of Labor, the Department of the Treasury, and the Congress to study the costs and benefits of the credit. To date, there are no statistics available. And while we await a more complete set of statistics on how the revised tax credit is performing, I believe the Congress should begin consideration of an extension of this credit to allow more employers to take part in the program and to provide an assurance to employers and potential employees alike that there is an incentive which is available to stimulate job opportunities. The sooner we are able to provide an extension for the credit, the more secure both the employers and the employees who take part in this credit will be.

In addition, authorizing the credit for an additional fiscal year will provide this Congress with a set of statistics available from multiple fiscal years, not just 1, allowing us to better assess the costs and benefits of the WOTC.

I am hopeful that the revised tax credit will prove more successful than its predecessor. I have long been a supporter and advocate for the promotion of job opportunities and job training for at-risk youth and ex-offenders, in particular. Any incentive to put more Americans to work should be given the chance to succeed; 1 year is simply not enough.

With that, I ask this bill be referred to the appropriate committee. During the 105th Congress, a number of tax proposals will be under consideration, and it is my hope that, by introducing this measure, the work opportunity tax credit does not get lost in the shuffle and expire prematurely.

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

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

S. 685

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

SECTION 1. ONE-YEAR EXTENSION OF WORK OPPORTUNITY TAX CREDIT.

Section 51(c)(4)(B) of the Internal Revenue Code of 1986 (relating to termination) is amended by striking ''September 30, 1997'' and inserting ''September 30, 1998''.

By Mr. SARBANES (for himself, Mr. HUTCHINSON, and Mr. TORRICELLI):

S. 686. A bill to establish the National Military Museum Foundation, and for other purposes; to the Committee on Armed Services.

NATIONAL MILITARY MUSEUM FOUNDATION LEGISLATION

Mr. SARBANES. Mr. President, today I am introducing on behalf of myself, Mr. HUTCHINSON, and Mr. TORRICELLI, legislation to create a National Military Museum Foundation. The purpose of this legislation is to encourage and facilitate private sector support in the effort to preserve, interpret, and display the important role the military has played in the history

of our Nation. This legislation is, in my judgment, crucial at this particular moment in history, when we are on the verge of jeopardizing two centuries worth of military artifacts and negating the possibility of such collections in the future.

It has been the long-standing tradition of the U.S. Department of War and its successor, the Department of Defense, to preserve our historic military artifacts. Since the days of the revolution to the conflict in Bosnia, Americans have been proud of the role that our military has had in safeguarding our democracy, and we have tried to ensure that future generations will know that role. Over the years we have accumulated a priceless collection of military artifacts from every period of American history and every technological era. The collection includes flags, uniforms, weapons, paintings, and historic records as well as full-size tanks, ships, and aircraft which document history and provide provenance for our Nation and armed services.

In recent years, however, the dedicated individuals who identify, interpret, catalog, and showcase those artifacts have found themselves shortchanged and shorthanded. With financial resources diminishing, not only are we cheating ourselves out of the military treasures currently warehoused out of public sight, but we are in danger of lacking the funds to update our collections with new items.

''A morsel of genuine history,'' wrote Thomas Jefferson to John Adams in 1817, ''is a thing so rare as to be always valuable.'' Mr. President, today, significant pieces of our military history are being lost, shoved into basements, or subject to decay. With each year also comes less funding, and our artifacts are multiplying at a pace that exceeds the capabilities of those who are trying to preserve them. Since 1990 alone, the services have closed 21 military museums and at least 8 more are expected to close in the next few years.

We cannot let this proceed any further. Military museums are vital to documenting our history, educating our citizenry, and advancing our technology. More than 81 museums in 31 States and the District of Columbia daily instill Americans from veterans to new recruits to elementary school students with a sense of the sacred responsibility that military servicemen bear to defend the values that have made this country great.

Military museums teach our servicemen the history of their units, enhancing their understanding both of the team of which they are a part and the significance of the service they have pledged to perform. And when a museum makes history come alive to young children, those children learn for themselves what this country stands for and the sacrifices that have been made to preserve the freedoms we often take for granted.

Many of our servicemen have learned their military history through these artifacts rather than textbooks, and many of our technological advances have come as a direct result of these artifacts. The ship models and ordinances at U.S. Naval Academy Museum in Annapolis, MD, for example, have been used by the Academy's Departments of Gunnery and Seamanship. It has also been reported that a study of an existing missile system, preserved in an Army museum, saved the Strategic Defense Initiative $25 million in research and analysis costs. These museums serve as laboratories where engineers can learn from the lessons of the past without going through the same trial and error process as their predecessors.

Yet without adequate funding, these benefits will be lost forever. According to a 1994 study conducted by the Advisory Council on Historic Preservation entitled, ''Defense Department Compliance with the National Historic Preservation Act,'' the Department of Defense's management of these resources has been mediocre, with the cause attributed to inadequate staffing and funding.

More than 80 percent of the museums studied said their survival relies heavily on outside funding. When asked about their greatest needs, the response was nearly always staff and money. And those museums that reported sufficient staffing from volunteers nevertheless said that the dearth of funds for restoration and construction paralyzed them from fully utilizing the available labor.

According to the study, money is so tight that brochures and pamphlets are often unaffordable, leaving visitors with no explanations about the objects they have come to see. A young child might be duly impressed by the sight of a stern-faced general, but the historical lesson is greatly diminished if the child is not told the significance of the event portrayed or why the general looked so grim that day.

Perhaps most distressing, the study reported ''substantial collections of rare or unique historical military vehicles and equipment that are unmaintained and largely unprotected due to lack of funds and available expertise.'' In addition, the museums were found to be struggling so much with the care of items already in house, that they were unable to accept new ones. With a new class of military artifacts from the Vietnam and gulf wars soon to be retired, one wonders whether those artifacts will be preserved. If we do not take action to save what we have and acquire what we don't, future generations will see these pockets of negligence as blank pages in the living history books that these museums truly are.

Only a Foundation can address these problems. The alternate solution—to press the services to devote more money to these institutions—is implausible in this budgetary climate. The Secretary of Defense must place his highest priority on the readiness of our forces. Closely allied to that priority is the effort to improve the quality of life for our citizens on active duty. And, as aging equipment faces obsolescence, the Secretary has indicated that the future will bring an increased emphasis on replacing weapons systems. By all realistic assumptions, the amount of funds appropriated for museums is likely to continue downward.

My bill recognizes the growing need for a reliable source of funding aside from Federal appropriations. A National Military Museum Foundation would provide an accessible venue for individuals, corporations, or other private sources to support the preservation of our priceless military artifacts and records. A National Military Museum Foundation could also play an important role in surveying those artifacts that we know to exist. Currently, there is no museum oversight or coordination of museum activities on the DOD level. A wide-ranging Foundation survey would therefore not only eliminate duplication, but would most likely discover gaps in our collections that must filled before it is too late.

Under the proposed legislation, the Secretary of Defense would appoint the Foundation's Board of Directors and provide basic administrative support. To launch the Foundation, the legislation authorizes an initial appropriation of $1 million. It is anticipated that the Foundation would be self sufficient after the first year. This is a small price to pay to save some of our most precious treasures.

This legislation is modeled on legislation that established similar foundations, such as the National Park Foundation and the National Fish and Wildlife Foundation, both of which have succeeded in raising private-sector support for conservation programs. My bill is not intended to supplant existing Federal funding or other foundation efforts that may be underway, but rather to supplement those efforts.

The premise for establishing a national foundation is, in part, to elevate the level of fundraising beyond the local level, supplementing those efforts by seeking donations from potentially large donors. I also want to emphasize the inclusiveness of the Foundation, which will represent all the branches of our armed services.

Mr. President, statistics reveal that foundations established without the mandate of a Federal statute and the backing of an established agency seldom succeed. With ever-diminishing Federal funds, we cannot expect the Department to put our military museums ahead of national security. Truly, an outside source committed to sustaining our museums is imperative. I urge my colleagues to support this important legislation.

By Mr. JEFFORDS:

S. 687. A bill to enhance the benefits of the national electric system by encouraging and supporting State programs for renewable energy sources,

universal electric service, affordable electric service, and energy conservation and efficiency, and for other purposes; to the Committee on Energy and Natural Resources.

THE ELECTRIC SYSTEM PUBLIC BENEFITS PROTECTION ACT OF 1997

Mr. JEFFORDS. Mr. President, America is currently considering an extremely important and contentious issue: Should we restructure the system by which we obtain our electric energy? And if so, how should we go about doing this? Hardly a day goes by in which one cannot find a news article on this subject. Across our Nation, 44 States have taken on the issue of restructuring, either in legislative debate or through the implementation of pilot programs. And even here in Congress, there are a number of proposals, in both the House and Senate, which address the various factors affecting the electric industry.

Advocates on all sides are debating whether the Federal Government should direct States to move to a restructured system, both in terms of how they should do it and when.

There are a number of ideas being offered as to whether utilities should be allowed to recover costs that were incurred under a regulated system, and if so, in what manner and to what degree. Who should bear the burden? The rate payer? The tax payer? The share holder?

Arguments have been made for and against Federal protection of public power, both in terms of market power and fiscal subsidies. Must companies divest according to function? Does a municipality's tax exempt bond authority give it an advantage over the tax deferrals of the utility, or the less-than-cost loans to the cooperative?

Mr. President, we continue to hear a great deal about how the effort to restructure the electric power industry may affect the Nation's economy. What is not being discussed, and what I believe is equally important, is how these changes will affect our society as a whole. How will it impact on the Nation's poor? How will it affect our children's health? How will restructuring affect our environment?

Well, it doesn't have to be an either/or choice. In fact, it can't be. As we move towards a restructured industry, we must consider the issues not only in terms of what they mean to our economy, but also in terms of what they mean to our society. We must secure and enhance the public benefits that until now have been provided by the electric industry's unique structure and regulatory traditions. This can only be achieved by including certain safeguards in any new regulatory structure from the outset, before dramatic changes unravel the gains this industry has made.

I rise today to introduce the Electric System Public Benefits Protection Act of 1997. This bill acknowledges the responsibility we have to our Nation, to its people and to the environment as we reassess the future of the electric power industry. It directly addresses the numerous public benefits we enjoy from our electric power structure, a system that has a unique impact on how we live. And it does this while creating a setting within the electric industry which promotes competition.

Under the system in effect today, electric utilities have been granted franchises in order to serve the public good. In return for a guaranteed return on their investments, the utilities have, to varying degrees of success, implemented many public purpose programs from which we benefit. These initiatives have addressed the need for alternative fuels, assistance to needy and remotely located consumers, energy efficiency projects, and environmental safeguards. While the industry has made significant progress in the past few decades, recent years have seen a steady decline in investments relating to these initiatives. As the electric industry moves closer to competition and deregulation, utilities are becoming less inclined to support public purpose programs without a guaranteed return.

My legislation creates a national electric system public benefits fund to enable and encourage State programs for renewable energy technologies, energy efficiency, low-income assistance, and universal access. It is supported by a broad-based, competitively neutral, systems benefits charge levied as a wires charge on all interconnected generation for sale on the electricity market. Revenues from the fund will be used to match funds raised by the States for the same public purposes and support the continuation and expansion of the benefits we enjoy today.

A study of history divulges two important facts about energy efficiency. The first is that the potential for cost-effective savings from accelerated investments in energy efficiency is very large. Yet trends over the last few years raise serious questions about utilities' commitments to energy efficiency programs. Based on the uncertainty surrounding the change within the industry, many utilities have admitted that they have already cut programs and are planning on reducing or eliminating more. While this uncertainty makes long-term predictions in this area difficult, the Energy Information Administration has projected a 13-percent reduction in direct utility expenditures on energy efficiency programs during the period 1995 until 1999. My bill affords States the opportunity to make necessary investments in efficiency technologies.

The second important fact we have learned is that there exist significant structural and informational market barriers to the deployment of investments in energy efficiency in the absence of targeted programs. My bill will help negotiate these barriers within the industry.

One of the benefits of energy efficiency is that reduced consumption avoids many of the environmental impacts associated with electric generation. The alternative is potentially devastating. In a recent national survey, respondents were advised that changes in how the utility industry operates could lead to further cutbacks in traditional efficiency programs. Seven out of ten Americans, polled across the Nation, stated that they support mandatory investments in energy efficiency, even if it means higher electric rates. They realize that what we invest today may save us billions of dollars during our lifetimes and those of our children.

The loss of public purpose programs will affect one group in particular. For middle class families, the energy crisis of the 1970's is only a memory; for low-income customers, the energy crisis never ended. A recent study in my State of Vermont showed that residential customers in general spend 3.8 percent of their income on energy, while low-income households spend 15 to 20 percent, and in some cases even more. Unaffordable utility costs are a leading cause of loss of housing for low-income families. Yet another study found that visits by individuals from low-income households to emergency rooms increased after periods of severe weather, when those families had to make the choice to heat or eat.

It is also clear that low-income families face greater barriers than other groups of customers to implementing the energy conservation measures I spoke of earlier, measures that would reduce their energy costs. Low-income families are more likely to live in rental property, in which they have neither the right to make major modifications themselves nor the ability to persuade their landlords to make energy conservation investments in their housing. While there are low-income homeowners, their incomes are generally insufficient to fund improvements in energy efficiency. My bill will provide a mechanism to help circumvent many of these barriers.

In considering the impact of restructuring on the Nation's poor, we must also keep in mind that low-income customers are unlikely to be an extremely attractive and highly sought after segment of the electricity market. They are more likely than other customers to have difficulty paying their bills. They are more likely to require payment arrangements and other labor intensive involvement from the utility company. And they are less likely to use large quantities of electricity which might qualify them for volume discounts. We must accept the fact that access to electric power is a necessity in our society. My legislation will help guarantee that everyone has equal access to the benefits of the electric industry. It will target, through the encouragement and development of cooperatives and other market mechanisms, the millions of Americans who are from low-income families, remote rural areas and other groups who lack

market power. In short, Mr. President, it ensures that essential services remain affordable and the benefits of competition are available to all utility customers.

We have learned the hard way that the Nation's economic well-being can be put at risk by rapid spikes in world energy prices. Future dislocations could result from fossil fuel supply interruptions or problems associated with nuclear powerplants. History teaches us that a policy of prudent energy diversification is a form of national economic security that is well worth purchasing.

Additionally, renewable energy sources are good for our environment. Every megawatt of electricity generated by a wind turbine displaces another from a fossil fuel source and lessens the environmental impact of the industry.

Yet, the future of renewable energy is in doubt. I would like to direct your attention to this chart. Scientists tell us that, despite the obvious advantages I have cited, the amount of electricity from renewable sources is projected to remain stable at about 2 percent well into the future. My legislation establishes a renewable portfolio standard for all electric generation companies. It begins with 2.5 percent in the year 2000 and slowly grows to 20 percent in the year 2020. These are not arbitrary numbers. They are based on information provided by the electric industry and account for realistic constraints on how fast these sources can develop.

This bill enables States to play an active role in the development and fielding of alternative fuels technology. It recognizes the importance of fuel diversity, and it guarantees that renewable energy sources will play a significant role in this diversification and in providing consumer choice in the restructured industry.

Mr. President, I am particularly concerned about what may be the single greatest market failure of the electric power industry: the protection of our environment. The electric industry accounts for about 3 percent of the Nation's gross domestic product, yet it accounts for up to two-thirds of some of the country's deadliest pollutants. We have worked hard to reduce this problem, and there is no doubt that some success has been achieved. But it is not enough.

Electric powerplants emit 65 percent of the Nation's annual total of sulfur dioxide, an invisible gas that adversely affects our health and environment. Asthmatics are particularly vulnerable to this pollutant. The leading cause of chronic illness in children, cases of this disease are climbing at a sharp rate and are exacerbated by our deteriorating environment.

Sulfur dioxide also is the principal cause of acid rain. This chart illustrates the fact that while the annual emissions of sulfur dioxide are expected to come down slightly in future years, this decline is not sufficient. My bill would cause a dramatic change by the year 2005, decreasing the amount of this deadly gas from electric powerplants by roughly 60 percent.

This next chart reveals the problem this Nation will face in the future as increasing amounts of carbon dioxide are released into the air from the electric industry. Powerplants currently generate close to 40 percent of the nationwide emissions of this pollutant, a gas chiefly responsible for global warming and the creation of a greenhouse effect. The resulting climate change has the potential to inflict devastating damage on our environment for many years, well into the future. Unlike other pollutants, carbon dioxide remains in the atmosphere for decades. If we are to protect our children's future, we must act now. As you can see, my bill, designed to bring the industry back to the 1990 standard, requires a significant 13 percent reduction by the year 2005 and will double that by the year 2015.

This legislation would bring about a major reduction in nitrogen oxide emissions. The electric power industry is the single largest source of this pollutant. Nitrogen oxide emissions are particularly offensive to me as a Vermonter because of the extreme ozone problem they present. There are days now when, standing atop Mount Mansfield, I can not make out the water tower on Mount Elmore, not even 20 miles away. This is disgraceful, and it is a problem faced in many areas across this Nation.

Nitrogen oxides are now blamed for significant health problems as well. Scientists recently discovered that this pollutant may be responsible for increasing levels of cancer cases and breathing disorders. As depicted on this chart, my legislation will mandate a 70 percent reduction in nitrogen oxide emissions from power plants by the year 2005.

Cognizance of these environmental problems cuts across party lines. A recent poll in the State of Texas shows that 7 out of 10 residents who define themselves as very conservative favor significantly stronger environmental standards. In fact, in the nationwide survey I spoke of earlier, 80 percent of the respondents agreed that we need to act on the problem.

Mr. President, we need to fix the problems attributable to electric power production. But as we move to a restructured industry, we need to fix it in a fair, competitively neutral manner. This bill does just that. Setting a single, nationwide emissions standard for all generators which use combustion devices to produce electricity, it says stop to some of the Nation's dirtiest powerplants. It means we as Americans will no longer tolerate the idea of giving a free ride to those that can't meet the standard. It levels the playing field so that all generators can compete in the market on an equal footing and with the same environmental responsibilities as their competitors.

Finally, we need to give people the information they need to make intelligent choices regarding their electricity. My bill directs the Secretary of Energy to establish a system whereby electric service providers must disclose to the consumer adequate information on generation source, emissions and price. Only when the consumer has the ability to compare can we say we have a truly competitive market.

In closing, I want to emphasize that any restructuring of the Nation's electric power industry must address the economic and the social aspects of the issue. It is not an either/or choice. We must do both.

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. 687

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 ''Electric System Public Benefits Protection Act of 1997''.

SEC. 2. FINDINGS.

Congress finds that—

(1) the generation of electricity is unique in its combined influence on the Nation's security, environmental quality, and economic efficiency;

(2) the generation and sale of electricity has a direct and profound impact on interstate commerce;

(3) the Federal Government and the States have a joint responsibility for the maintenance of public purpose programs affected by the national electric system;

(4) notwithstanding the public's interest in and enthusiasm for programs that enhance the environment, encourage the efficient use of resources, and provide for affordable and universal service, the investments in those public purposes by existing means continues to decline;

(5) the Nation's dependence on foreign sources of fossil fuels is contrary to our national security; alternative, sustainable energy sources must be pursued as the Nation moves into the 21st century;

(6) emissions from electric power generating facilities are today the largest industrial source responsible for persistent public health and environmental problems; and

(7) consumers have a right to certain information in order to make objective choices on their electric service providers.

SEC. 3. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.— The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) BOARD.—The term ''Board'' means the National Electric System Public Benefits Board established under section 4.

(3) COMMISSION.—The term ''Commission'' means the Federal Energy Regulatory Commission.

(4) FUND.—The term ''Fund'' means the National Electric System Public Benefits Fund established by section 5.

(5) RENEWABLE ENERGY.—The term ''renewable energy'' means electricity generated from wind, organic waste (excluding incinerated municipal solid waste), or biomass or a geothermal, solar thermal, or photovoltaic source.

(6) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

SEC. 4. NATIONAL ELECTRIC SYSTEM PUBLIC BENEFITS BOARD.

(a) ESTABLISHMENT.—The Secretary shall establish a National Electric System Public Benefits Board to carry out the functions and responsibilities described in this section.

(b) MEMBERSHIP.—The Board shall be composed of—

(1) 1 representative of the Commission appointed by the Commission;

(2) 2 representatives of the Secretary appointed by the Secretary;

(3) 2 persons nominated by the national organization representing State regulatory commissioners and appointed by the Secretary;

(4) 1 person nominated by the national organization representing State utility consumer advocates and appointed by the Secretary;

(5) 1 person nominated by the national organization representing State energy offices and appointed by the Secretary;

(6) 1 person nominated by the national organization representing energy assistance directors and appointed by the Secretary; and

(7) 1 representative of the Environmental Protection Agency appointed by the Administrator.

(c) CHAIRPERSON.—The Secretary shall select a member of the Board to serve as Chairperson of the Board.

(d) MANAGER.—

(1) APPOINTMENT.—The Board shall by contract appoint an electric systems public benefits manager for a term of not more than 3 years, which term may be renewed by the Board.

(2) COMPENSATION.—The compensation and other terms and conditions of employment of the manager shall be determined by a contract between the Board and the individual or the other entity appointed as manager.

(3) FUNCTIONS.—The manager shall—

(A) monitor the amounts in the Fund;

(B) receive, review, and make recommendations to the Board regarding applications from States under section 5(b); and

(C) perform such other functions as the Board may require to assist the Board in carrying out its duties under this Act.

SEC. 5. NATIONAL ELECTRIC SYSTEM PUBLIC BENEFITS FUND.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Board shall establish an account or accounts at 1 or more financial institutions, which account or accounts shall be known as the ''National Electric System Public Benefits Fund'', consisting of amounts deposited in the fund under subsection (c).

(2) STATUS OF FUND.—The wires charges collected under subsection (c) and deposited in the Fund—

(A) shall constitute electric system revenues and shall not constitute funds of the United States;

(B) shall be held in trust by the manager of the Fund solely for the purposes stated in subsection (b); and

(C) shall not be available to meet any obligations of the United States.

(b) USE OF FUND.—

(1) FUNDING OF PUBLIC PURPOSE PROGRAMS.—Amounts in the Fund shall be used by the Board to provide matching funds to States for the support of State public purpose programs relating to—

(A) renewable energy sources;

(B) universal electric service;

(C) affordable electric service;

(D) energy conservation and efficiency; or

(E) research and development in areas described in subparagraphs (A) through (D).

(2) DISTRIBUTION.—

(A) IN GENERAL.—Except for amounts needed to pay costs of the Board in carrying out its duties under this section, the Board shall instruct the manager of the Fund to distribute all amounts in the Fund to States to fund public purpose programs under paragraph (1).

(B) FUND SHARE.—

(i) IN GENERAL.—Subject to clause (iii), the Fund share of a public purpose program funded under paragraph (1) shall be 50 percent.

(ii) PROPORTIONATE REDUCTION.—To the extent that the amount of matching funds requested by States exceeds the maximum projected revenues of the Fund, the matching funds distributed to the States shall be reduced by an amount that is proportionate to each State's annual consumption of electricity compared to the Nation's aggregate annual consumption of electricity.

(iii) ADDITIONAL STATE FUNDING.—A State may apply funds to public purpose programs in addition to the amount of funds applied for the purpose of matching the Fund share.

(3) PROGRAM CRITERIA.—The Board shall recommend eligibility criteria for public benefits programs funded under this section for approval by the Secretary.

(4) APPLICATION.—Not later than August 1 of each year beginning in 1999, a State seeking matching funds for the following year shall file with the Board, in such form as the Board may require, an application—

(A) certifying that the funds will be used for an eligible public purpose program; and

(B) stating the amount of State funds earmarked for the program.

(c) WIRES CHARGE.—

(1) DETERMINATION OF NEEDED FUNDING.—Not later than August 1 of each year, the Board shall determine and inform the Commission of the aggregate amount of wires charges that it will be necessary to have paid into the Fund to pay matching funds to States and pay the operating costs of the Board in the following year.

(2) IMPOSITION OF WIRES CHARGE.—

(A) IN GENERAL.—Not later than December 15 of each year, the Commission shall impose a nonbypassable, competitively neutral wires charge to be paid directly into the Fund by the operator of the wire on electricity carried through the wire, this electricity to be measured as it exits the busbar at a generation facility, and which impacts on interstate commerce.

(B) AMOUNT.—The wires charge shall be set at a rate equal to the lesser of—

(i) 2 mills per kilowatt-hour; or

(ii) a rate that is estimated to result in the collection of an amount of wires charges that is as nearly as possible equal to the amount of needed funding determined under paragraph (1).

(3) DEPOSIT IN THE FUND.—The wires charge shall be paid by the operator of the wire directly into the Fund at the end of each month during the calendar year for distribution by the electric systems public benefits manager under section 4.

(4) PENALTIES.—The Commission may assess against a wire operator that fails to pay a wires charge as required by this subsection a civil penalty in an amount equal to not more than the amount of the unpaid wires charge.

(d) AUDITING.—

(1) IN GENERAL.—The Fund shall be audited annually by a firm of independent certified public accountants in accordance with generally accepted auditing standards.

(2) ACCESS TO RECORDS.—Representatives of the Secretary and the Commission shall have access to all books, accounts, reports, files, and other records pertaining to the Fund as necessary to facilitate and verify the audit.

(3) REPORTS.—

(A) IN GENERAL.—A report on each audit shall be submitted to the Secretary, the Commission, and the Secretary of the Treasury, who shall submit the report to the President and Congress not later than 180 days after the close of the fiscal year.

(B) REQUIREMENTS.—An audit report shall—

(i) set forth the scope of the audit; and

(ii) include—

(I) a statement of assets and liabilities, capital; and surplus or deficit;

(II) a statement of surplus or deficit analysis;

(III) a statement of income and expenses;

(IV) any other information that may be considered necessary to keep the President and Congress informed of the operations and financial condition of the Fund; and

(V) any recommendations with respect to the Fund that the Secretary or the Commission may have.

SEC. 6. RENEWABLE ENERGY PORTFOLIO STANDARDS.

(a) DEFINITION OF GENERATION FACILITY.—In this section, the term ''covered generation facility'' means a nonhydroelectric facility that generates electric energy for sale.

(b) REQUIRED RENEWABLE ENERGY.—Of the total amount of electricity sold by covered generation facilities during a calendar year, the amount generated by renewable energy sources shall be not less than—

(1) 2.5 percent in 2000;
(2) 3.0 percent in 2001;
(3) 3.5 percent in 2002;
(4) 4.0 percent in 2003;
(5) 4.5 percent in 2004;
(6) 5.0 percent in 2005;
(7) 6.0 percent in 2006;
(8) 7.0 percent in 2007;
(9) 8.0 percent in 2008;
(10) 9.0 percent in 2009;
(11) 10.0 percent in 2010;
(12) 11.0 percent in 2011;
(13) 12.0 percent in 2012;
(14) 13.0 percent in 2013;
(15) 14.0 percent in 2014;
(16) 15.0 percent in 2015;
(17) 16.0 percent in 2016;
(18) 17.0 percent in 2017;
(19) 18.0 percent in 2018;
(20) 19.0 percent in 2019; and
(21) 20.0 percent in 2020 and each year thereafter.

(c) RENEWABLE ENERGY CREDITS.—

(1) IDENTIFICATION OF ENERGY SOURCES.—The Commission shall establish standards and procedures under which a covered generation facility shall certify to a purchaser of electricity—

(A) the amount of the electricity that is generated by a renewable energy source; and

(B) the amount of the electricity that is generated by a source other than a renewable energy source.

(2) ISSUANCE OF RENEWABLE ENERGY CREDITS.—Not later than April 1 of each year, beginning in the year 2001, the Commission shall issue to a covered generation facility 1 renewable energy credit for each megawatt-hour of electricity sold by the covered generation facility in the preceding calendar year that was generated by a renewable source.

(3) SUBMISSION OF RENEWABLE ENERGY CREDITS.—Not later than July 1 of each year, a covered generation facility shall submit credits to the Commission in an amount equal to the total number of megawatt-hours of electricity sold by the covered generation facility in the preceding year multiplied by the applicable renewable energy source requirement under subsection (a).

(4) USE OF RENEWABLE ENERGY CREDITS.—

(A) TIME FOR USE.—A renewable energy credit shall be used for the calendar year for the renewable energy credit is issued.

(B) PERMITTED USES.—Until July 1 of the year in which a renewable energy credit was issued, a covered generation facility may—

(i) use the renewable energy credit to make a submission to the Commission under paragraph (3); or

(ii) on notice to the Commission, sell or otherwise transfer a renewable energy credit to another covered generation facility.

(d) RECORDKEEPING.—The Commission shall maintain records of all renewable energy credits issued and all credits sold or exchanged.

(e) PENALTIES.—The Commission may bring an action in United States district court to impose a civil penalty on any person that fails to comply with subsection (a). A person that fails to comply with a requirement to submit renewable energy credits under subsection (b)(3) shall be subject to a civil penalty of not more than 3 times the estimated national average market value (as determined by the Commission) for the calendar year concerned of that quantity of renewable energy credits.

(f) PUBLIC UTILITY REGULATORY POLICIES ACT OF 1978.—

(1) REPEAL OF COGENERATION AND SMALL POWER PRODUCTION PROVISION.—Effective January 1, 2000, the Public Utility Regulatory Policies Act of 1978 is amended by striking section 210 (16 U.S.C. 824a–3).

(2) EXISTING CONTRACTS.—The amendment made by paragraph (1) shall not affect the continued validity and enforceability of contracts entered into under section 210 of the Public Utility Regulatory Policies Act of 1978 before the date of enactment of this Act.

(3) CONTINUED JURISDICTION.—Notwithstanding the amendment made by paragraph (1), the Commission shall retain jurisdiction to—

(A) ensure the continued status of qualifying small power production facilities under section 210 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 824a–3); and

(B) continue exemptions granted under subsection (e) of that section before the date of enactment of this Act.

(g) POWERS.—The Commission may promulgate such regulations, conduct such investigations, and take such other actions as are necessary or appropriate to implement and obtain compliance with this section and regulations promulgated under this section.

SEC. 7. EMISSIONS STANDARDS AND ALLOCATIONS.

(a) DEFINITIONS.—In this section:

(1) COVERED GENERATION FACILITY.—The term ''covered generation facility'' means an electric generation facility (other than a nuclear facility) with a nameplate capacity of 15 megawatts or greater that uses a combustion device to generate electricity for sale.

(2) COGENERATION.—The term ''cogeneration'' means a process of simultaneously generating electricity and thermal energy in which a portion of the energy value of fuel consumed is recovered as heat that is used to meet heating or cooling loads outside the generation facility.

(3) POLLUTANT.—The term ''pollutant'' means—

(A) nitrogen oxide;

(B) sulfur dioxide;

(C) carbon dioxide;

(D) mercury; or

(E) any other substance that the Administrator may identify by regulation as a substance the emission of which into the air from a combustion device used in the generation of electricity endangers public health or welfare.

(b) NATIONWIDE EMISSIONS STANDARDS.—

(1) SCHEDULE.—Not later than July 1, 1999, the Administrator shall promulgate a final regulation that establishes a schedule of limits on the amount of each pollutant that all covered generation facilities in the aggregate nationwide shall be permitted to emit in each calendar year beginning in calendar year 2000.

(2) LIMIT.—The nationwide emissions standard for calendar year 2005 and each year thereafter established under paragraph (1) shall be not greater than—

(A) for nitrogen oxide, 1,660,000 tons;

(B) for sulfur dioxide, 3,580,000 tons; and

(C) for carbon dioxide, 1,914,000,000 tons.

(3) ADJUSTMENT.—The Administrator may adjust the schedule established under paragraph (1), within the limits established by paragraph (2), if the Administrator determines that an adjustment would be in the best interests of the public health and welfare.

(c) GENERATION PERFORMANCE STANDARD.—

(1) ANNUAL DETERMINATION.—

(A) IN GENERAL.—Not later than October 1 of each year, the Administrator, in consultation with the Commission, shall determine the generation performance standard for nitrogen oxide, sulfur dioxide, and carbon dioxide emissions per megawatt-hour of electric production by covered generation facilities for the next calendar year.

(B) METHOD.—The Administrator shall determine by regulation the method to be used in determining an estimate under subparagraph (A).

(2) FORMULA.—The generation performance standard shall be determined by dividing the annual nationwide emissions standard as established under subsection (b) by the Administrator's estimate of the nationwide megawatt-hour production for the next calendar year by all covered generation facilities.

(d) INDIVIDUAL EMISSIONS ALLOCATION.—The amount of each pollutant that a covered generation facility shall be permitted to emit during a calendar year shall be equal to—

(1) the facility's annual generation of megawatt-hours of electricity multiplied by the generation performance standard as established in subsection (c); plus

(2) the facility's annual generation of thermal energy used to meet heating and cooling loads resulting from the cogeneration process, which shall be expressed by the Administrator in units of measurement that provide a reasonable comparison between energy generated in the form of electricity and energy generated in the form of thermal energy and then multiplied by the generation performance standard as established under subsection (c).

(e) OZONE SEASON.—In determining the individual emissions allocation for a covered generation facility under subsection (d), the amount of nitrogen oxide emitted by covered generation facility and the number of megawatt-hours of electricity generated by the covered generation facility during the period May 1 through September 30 of each year shall each be multiplied by 3.

(f) MONITORING.—

(1) ESTABLISHMENT OF SYSTEM.—The Administrator shall establish a system for the accurate monitoring of the amount of each pollutant that a covered generation facility emits during a year.

(2) REQUIREMENTS.—The monitoring system under paragraph (1) shall require—

(A) installation on each combustion device of a continuous monitoring system for each pollutant; or

(B) use of an alternative mechanism that the Administrator determines will provide data with precision, reliability, accessibility, and timeliness that are equal to or greater than those that would be achieved by a continuous emissions monitoring system.

(g) EMISSIONS CREDITS.—

(1) COMPARISON OF ACTUAL COMBUSTION DEVICE OUTPUTS WITH INDIVIDUAL EMISSION ALLOCATIONS.—At the end of each year, the Administrator shall compare the amount of a pollutant emitted by a generation facility during the year with the individual emissions allocation as established under subsection (d) applicable to the covered generation facility for the year.

(2) ISSUANCE OF EMISSIONS CREDITS.—Not later than April 1 of each year, the Administrator shall issue to a covered generation facility 1 emissions credit for each ton by which the amount of a pollutant emitted by the covered generation facility during the preceding year was less than the individual emissions allocation as established under subsection (d) applicable to the covered generation facility.

(3) SUBMISSION OF EMISSIONS CREDITS.—

(A) IN GENERAL.—Not later than July 1 of each year, a covered generation facility that emitted a greater amount of a pollutant than the individual emissions allocation applicable to the covered generation facility during the preceding year shall submit to the Administrator 1 emissions credit for each ton by which the amount of the pollutant emitted was greater than the individual emissions allocation as established under subsection (d).

(B) PENALTY.—A covered generation facility that is required to submit an emissions credit under subparagraph (A) that fails to submit the emissions credit shall pay to the Administrator a civil penalty in an amount equal to—

(i) $15,000 for each ton of nitrogen oxide emissions in excess of the individual emissions allocation applicable to the facility under subsection (d) for which a nitrogen oxide emissions credit has not been submitted under subparagraph (A);

(ii) $2,500 for each ton of sulfur dioxide emissions in excess of the individual emissions allocation applicable to the facility under subsection (d) for which a sulfur dioxide emissions credit has not been submitted under subparagraph (A); or

(iii) $100 for each ton of carbon dioxide emissions in excess of the individual emissions allocation applicable to the facility under subsection (d) for which a carbon dioxide emissions credit has not been submitted under subparagraph (A).

(C) PENALTY ADJUSTMENT.—The Administrator shall annually adjust the penalty specified in subparagraph (B) for inflation based on the Consumer Price Index.

(4) USE OF EMISSIONS CREDITS.—A covered generation facility may—

(A) retain an emissions credit from year to year for future submission to the Administrator under paragraph (3); or

(B) on notice to the Administrator, sell or otherwise transfer an emissions credit to another person.

(h) POWERS.—The Administrator may promulgate such regulations, conduct such investigations, and take such other actions as are necessary to appropriate to implement and obtain compliance with this section and regulations promulgated under this section.

SEC. 8. DISCLOSURE REQUIREMENTS.

(a) DEFINITIONS.—In this section:

(1) EMISSIONS DATA.—The term ''emissions data'' means the type and amount of each pollutant (as defined in section 7(a)) emitted by a generation facility in generating electricity.

(2) GENERATION DATA.—The term ''generation data'' means the type of fuel (such as coal, oil, nuclear energy, or solar power) used by a generation facility to generate electricity.

(b) DISCLOSURE SYSTEM.—The Secretary shall establish a system of disclosure that—

(1) enables retail consumers to knowledgeably compare retail electric service offerings, including comparisons based on generation source portfolios, emissions data, and price terms; and

(2) considers such factors as—

(A) cost of implementation;
(B) confidentiality of information; and
(C) flexibility.

(c) REGULATION.—Not later than March 1, 1999, the Secretary, in consultation with the Board, and with the assistance of a Federal interagency task force that includes representatives of the Commission, the Federal Trade Commission, the Food and Drug Administration, and the Environmental Protection Agency, shall promulgate a regulation prescribing—

(1) the form, content, and frequency of disclosure of emissions data and generation data of electricity by generation facilities to electricity wholesalers or retail companies and by wholesalers to retail companies;

(2) the form, content, and frequency of disclosure of emissions data, generation data, and the price of electricity by retail companies to ultimate consumers; and

(3) the form, content, and frequency of disclosure of emissions data, generation data, and the price of electricity by generation facilities selling directly to ultimate consumers.

(d) ACCESS TO RECORDS.—The Secretary shall have full access to the records of all generation facilities, electricity wholesalers, and retail companies to obtain any information necessary to administer and enforce this section.

(e) FAILURE TO DISCLOSE.—The failure of a retail company to accurately disclose information as required by this section shall be treated as a deceptive act in commerce under section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(f) REGULATIONS.—The Secretary may promulgate such regulations, conduct such investigations, and take such other actions as are necessary or appropriate to implement and obtain compliance with this section and regulations promulgated under this section.

By Mr. BIDEN (by request):

S. 688. A bill to amend the Higher Education Act of 1965 to authorize Presidential Honors Scholarships to be awarded to all students who graduate in the top 5 percent of their secondary school graduating class, to promote and recognize high academic achievement in secondary school, and for other purposes; to the Committee on Labor and Human Resources.

THE PRESIDENTIAL HONORS SCHOLARSHIP ACT OF 1997

● Mr. BIDEN. Mr. President, I am pleased today to reintroduce President Clinton's proposal, the Presidential Honors Scholarship Act of 1997. I first introduced this bill on behalf of the administration last September—and I have included a very similar proposal in my own comprehensive higher education legislation, known as the Get Ahead Act. I am honored to have the opportunity to reintroduce this measure for the President, who continues his endless efforts at improving American education and making sure that college is affordable to all Americans.

Most people are probably not familiar with Presidential Honors Scholarships, but I think many people have heard of the idea of merit scholarships. It is pretty simple. Under the bill, all students in public and private schools who graduate in the top 5 percent of their class would be designated as Presidential honors scholars and would receive a $1,000 scholarship to college. The scholarship could be used during their freshman year at the college of their choice, and the scholarship would not be used in determining eligibility for other financial aid.

I strongly support merit scholarships for two reasons. First, we need to start rewarding excellence in educational achievement. Under the leadership of President Clinton, 4 years ago Congress passed legislation that encourages States to set high academic standards for their students. This proposal builds on that idea by rewarding those students who meet those high standards. Students who work hard and succeed ought to be recognized and rewarded.

Second, by providing scholarship moneys, this bill will help thousands of students in paying for the costs of a college education, which, I might add, is becoming more and more difficult for middle-class families. I realize that $1,000 does not go a long way in paying for a public college education, not to mention the costs of a private college. But, it will be of some help, and for those who choose to go to a community college, it will pay for about two-thirds of the cost.

Mr. President, I suspect that we will be debating higher education more than once this year. There is much to be done. We need to provide a tax deduction for the costs of college. We should allow penalty-free withdrawals from Individual Retirement Accounts to pay for college. We should make permanent the employer-provided education tax exclusion. We need to expand the Pell Grant Program. And, we need to reauthorize the Higher Education Act.

In that process, however, let us not forget merit scholarships. It is not the answer, but it is part of the answer. It is a piece of the puzzle. And while some would say that it is a small piece, it plays an important role in being the one piece that rewards those students who reach for excellence.

I look forward to working with my colleagues and with President Clinton in seeing that this proposal becomes law.●

By Mr. BREAUX (for himself, Mr. COCHRAN, Mr. CONRAD, Mr. DORGAN, Ms. MOSELEY-BRAUN, Mr. REID, Mr. ROCKEFELLER, Mr. DASCHLE, and Mr. ROBB):

S. 690. A bill to amend title XVIII of the Social Security Act to improve preventive benefits under the Medicare Program; to the Committee on Finance.

THE COLORECTAL CANCER SCREENING ACT OF 1997

Mr. BREAUX. Mr. President, I rise today to introduce the Colorectal Cancer Screening Act of 1997 with my colleagues Senators COCHRAN, CONRAD, DORGAN, MOSELEY-BRAUN, REID, and ROCKEFELLER.

Let me share some tragic facts about colorectal cancer. According to the American Cancer Society, colorectal cancer is the second most deadly cancer based on the number of annual deaths. While breast cancer primarily afflicts women and prostate cancer is a disease of men, colorectal cancer strikes both men and women of all races, resulting in the high number of patients and the corresponding high number of deaths.

This year alone, 140,000 Americans will be diagnosed with colon cancer and 54,000 Americans will die from the disease. In my own State of Louisiana, 2,200 new cases of colon cancer will be diagnosed this year and it will take the lives of 920 people. Yet, as is the case with most cancers, colon cancer is preventable and curable if detected early.

The tragedy of colorectal cancer is that physicians have proven means to detect colorectal cancer early but these tests must be made available to people on a widespread basis. Death from this terrible disease can be reduced significantly by early detection. We know polyps, the initial presentation of early cancers, if detected early can be treated without major surgery while expensive, major surgery in a hospital is the only successful treatment for more advanced cancers.

While many private health plans are starting to provide coverage for colorectal cancer screening, Medicare—which covers older Americans who are most at risk—does not. The Colorectal Cancer Screening Act of 1997 would make colorectal cancer screening available to Medicare beneficiaries to improve the chance for early detection and diagnosis.

The type and frequency of screening I suggest in my bill are compatible with the recommendations of several large physician groups as well as the American Cancer Society. It covers all the procedures that are currently used today but the type of screening process will depend on the patient's risk factors for colon cancer. Patients at higher risk, for example someone whose parent had colon cancer, receive more aggressive screening than someone with a normal risk for colon cancer.

Mr. President, this legislation is not procedure specific. Although several screening tests for colorectal cancer are currently available, the best method for early detection has not been determined. Some tests are very simple and can be performed by any doctor. Others, such as barium enema and colonoscopy, are technically more difficult and require special equipment and facilities. Some tests only evaluate part of the colon.

My bill basically recognizes that we need to start screening people right away. The Congress should not prevent seniors from getting screened because there is disagreement over which procedures are best. That is a decision best made by doctors, not the Congress. This bill would mandate that seniors on Medicare have access to all the screening methods currently used by doctors. In 2 years, the Secretary of Health and Human Services will report back to Congress on which tests are

the best and most cost-effective means of detecting colon cancer. If it is determined that a procedure is being used that is not effective, Medicare will no longer cover it. HHS will also study the needs of African-Americans who are at high risk for colon cancer and have a higher mortality rate. It makes much more sense for the experts in colon cancer, not the Congress, to determine the best, most cost-effective screening techniques all the while making this important service available immediately to Medicare beneficiaries.

This kind of preventive tool is critical in our battle against colon cancer. It will improve the quality of life for Medicare beneficiaries and save Medicare money in the long run by reducing the high costs of treating advanced colorectal cancer.

I encourage my colleagues to join me in supporting passage of this legislation this Congress. I ask unanimous consent that a copy of the bill appear in the RECORD.

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

S. 690

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 ''Colorectal Cancer Screening Act of 1997''.

SEC. 2. MEDICARE COVERAGE OF COLORECTAL SCREENING SERVICES.

(a) COVERAGE.—

(1) IN GENERAL.—Section 1861 of the Social Security Act (42 U.S.C. 1395x) is amended—

(A) in subsection (s)(2)—

(i) by striking ''and'' at the end of subparagraphs (N) and (O); and

(ii) by inserting after subparagraph (O) the following:

''(P) colorectal cancer screening tests (as defined in subsection (oo)); and''; and

(B) by adding at the end the following:

''Colorectal Cancer Screening Tests

''(oo)(1) The term 'colorectal cancer screening test' means, unless determined otherwise pursuant to section 2(a)(2) of the Colorectal Cancer Screening Act of 1997, any of the following procedures furnished to an individual for the purpose of early detection of colorectal cancer:

''(A) Screening fecal-occult blood test.

''(B) Screening flexible sigmoidoscopy.

''(C) Screening barium enema.

''(D) In the case of an individual at high risk for colorectal cancer, screening colonoscopy or screening barium enema.

''(E) For years beginning after 2002, such other procedures as the Secretary finds appropriate for the purpose of early detection of colorectal cancer, taking into account changes in technology and standards of medical practice, availability, effectiveness, costs, the particular screening needs of racial and ethnic minorities in the United States and such other factors as the Secretary considers appropriate.

''(2) In paragraph (1)(D), an 'individual at high risk for colorectal cancer' is an individual who, because of family history, prior experience of cancer or precursor neoplastic polyps, a history of chronic digestive disease condition (including inflammatory bowel disease, Crohn's Disease, or ulcerative colitis), the presence of any appropriate recognized gene markers for colorectal cancer, or other predisposing factors, faces a high risk for colorectal cancer.''.

(2) REVIEW OF COVERAGE OF COLORECTAL CANCER SCREENING TESTS.—

(A) IN GENERAL.—Not later than 2 years after the date of enactment of this Act (and periodically thereafter), the Secretary of Health and Human Services (in this paragraph referred to as the ''Secretary'') shall review—

(i) the standards of medical practice with regard to colorectal cancer screening tests (as defined in section 1861(oo) of the Social Security Act (42 U.S.C. 1395x(oo))) (as added by paragraph (1) of this section);

(ii) the availability, effectiveness, costs, and cost-effectiveness of colorectal cancer screening tests covered under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) at the time of such review;

(iii) the particular screening needs of racial and ethnic minorities in the United States; and

(iv) such other factors as the Secretary considers appropriate with regard to the coverage of colorectal cancer screening tests under the medicare program.

(B) DETERMINATION.—If the Secretary determines it appropriate based on the review conducted pursuant to subparagraph (A), the Secretary shall issue and publish a determination that one or more colorectal cancer screening tests described in section 1861(oo) of the Social Security Act (42 U.S.C. 1395x(oo)) (as added by paragraph (1) of this section) shall no longer be covered under that section.

(b) FREQUENCY AND PAYMENT LIMITS.—

(1) IN GENERAL.—Section 1834 of the Social Security Act (42 U.S.C. 1395m) is amended by inserting after subsection (c) the following:

''(d) FREQUENCY AND PAYMENT LIMITS FOR COLORECTAL CANCER SCREENING TESTS.—

''(1) SCREENING FECAL-OCCULT BLOOD TESTS.—

''(A) PAYMENT LIMIT.—In establishing fee schedules under section 1833(h) with respect to colorectal cancer screening tests consisting of screening fecal-occult blood tests, except as provided by the Secretary under paragraph (5)(A), the payment amount established for tests performed—

''(i) in 1998 shall not exceed $5; and

''(ii) in a subsequent year, shall not exceed the limit on the payment amount established under this subsection for such tests for the preceding year, adjusted by the applicable adjustment under section 1833(h) for tests performed in such year.

''(B) FREQUENCY LIMIT.—Subject to revision by the Secretary under paragraph (5)(B), no payment may be made under this part for colorectal cancer screening test consisting of a screening fecal-occult blood test—

''(i) if the individual is under 50 years of age; or

''(ii) if the test is performed within the 11 months after a previous screening fecal-occult blood test.

''(2) SCREENING FOR INDIVIDUALS NOT AT HIGH RISK.—Subject to revision by the Secretary under paragraph (5)(B), no payment may be made under this part for a colorectal cancer screening test consisting of a screening flexible sigmoidoscopy or screening barium enema—

''(i) if the individual is under 50 years of age; or

''(ii) if the procedure is performed within the 47 months after a previous screening flexible sigmoidoscopy or screening barium enema.

''(3) SCREENING FOR INDIVIDUALS AT HIGH RISK FOR COLORECTAL CANCER.—Subject to revision by the Secretary under paragraph (5)(B), no payment may be made under this part for a colorectal cancer screening test consisting of a screening colonoscopy or screening barium enema for individuals at high risk for colorectal cancer if the procedure is performed within the 23 months after a previous screening colonoscopy or screening barium enema.

''(4) PAYMENT AMOUNTS FOR CERTAIN COLORECTAL CANCER SCREENING TESTS.—The Secretary shall establish payment amounts under section 1848 with respect each colorectal cancer screening tests described in subparagraphs (B), (C), and (D) of section 1861(oo)(1) that are consistent with payment amounts under such section for similar or related services, except that such payment amount shall be established without regard to section 1848(a)(2)(A).

''(5) REDUCTIONS IN PAYMENT LIMIT AND REVISION OF FREQUENCY.—

''(A) REDUCTIONS IN PAYMENT LIMIT FOR SCREENING FECAL-OCCULT BLOOD TESTS.—The Secretary shall review from time to time the appropriateness of the amount of the payment limit established for screening fecal-occult blood tests under paragraph (1)(A). The Secretary may, with respect to tests performed in a year after 2000, reduce the amount of such limit as it applies nationally or in any area to the amount that the Secretary estimates is required to assure that such tests of an appropriate quality are readily and conveniently available during the year.

''(B) REVISION OF FREQUENCY.—

''(i) REVIEW.—The Secretary shall review periodically the appropriate frequency for performing colorectal cancer screening tests based on age and such other factors as the Secretary believes to be pertinent.

''(ii) REVISION OF FREQUENCY.—The Secretary, taking into consideration the review made under clause (i), may revise from time to time the frequency with which such tests may be paid for under this subsection, but no such revision shall apply to tests performed before January 1, 2001.

''(6) LIMITING CHARGES OF NONPARTICIPATING PHYSICIANS.—

''(A) IN GENERAL.—In the case of a colorectal cancer screening test consisting of a screening flexible sigmoidoscopy or screening barium enema, or a screening colonoscopy or screening barium enema provided to an individual at high risk for colorectal cancer for which payment may be made under this part, if a nonparticipating physician provides the procedure to an individual enrolled under this part, the physician may not charge the individual more than the limiting charge (as defined in section 1848(g)(2)).

''(B) ENFORCEMENT.—If a physician or supplier knowingly and willfully imposes a charge in violation of subparagraph (A), the Secretary may apply sanctions against such physician or supplier in accordance with section 1842(j)(2).''.

(c) CONFORMING AMENDMENTS.—

(1) Paragraphs (1)(D) and (2)(D) of section 1833(a) of the Social Security Act (42 U.S.C. 1395l(a)) are each amended by inserting ''or section 1834(d)(1)'' after ''subsection (h)(1)''.

(2) Section 1833(h)(1)(A) of the Social Security Act (42 U.S.C. 1395l(h)(1)(A)) is amended by striking ''The Secretary'' and inserting ''Subject to paragraphs (1) and (5)(A) of section 1834(d), the Secretary''.

(3) Clauses (i) and (ii) of section 1848(a)(2)(A) of the Social Security Act (42 U.S.C. 1395w–4(a)(2)(A)) are each amended by inserting after ''a service'' the following: ''(other than a colorectal cancer screening test consisting of a screening colonoscopy or screening barium enema provided to an individual at high risk for colorectal cancer or a screening flexible sigmoidoscopy or screening barium enema)''.

(4) Section 1862(a) of the Social Security Act (42 U.S.C. 1395y(a)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (E), by striking ''and'' at the end;

(ii) in subparagraph (F), by striking the semicolon at the end and inserting '', and''; and

(iii) by adding at the end the following:

''(G) in the case of colorectal cancer screening tests, which are performed more frequently than is covered under section 1834(d);''; and

(B) in paragraph (7), by striking ''paragraph (1)(B) or under paragraph (1)(F)'' and inserting ''subparagraph (B), (F), or (G) of paragraph (1)''.

SEC. 3. EFFECTIVE DATE.

The amendments made by section 2 shall apply to items and services furnished on or after January 1, 1998.

ADDITIONAL COSPONSORS

S. 65

At the request of Mr. HATCH, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 65, a bill to amend the Internal Revenue Code of 1986 to ensure that members of tax-exempt organizations are notified of the portion of their dues used for political and lobbying activities, and for other purposes.

S. 293

At the request of Mr. HATCH, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 293, a bill to amend the Internal Revenue Code of 1986 to make permanent the credit for clinical testing expenses for certain drugs for rare diseases or conditions.

S. 356

At the request of Mr. GRAHAM, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 356, a bill to amend the Internal Revenue Code of 1986, the Public Health Service Act, the Employee Retirement Income Security Act of 1974, the title XVIII and XIX of the Social Security Act to assure access to emergency medical services under group health plans, health insurance coverage, and the medicare and medicaid programs.

S. 377

At the request of Mr. BURNS, the name of the Senator from Oregon [Mr. SMITH] was added as a cosponsor of S. 377, a bill to promote electronic commerce by facilitating the use of strong encryption, and for other purposes.

S. 385

At the request of Mr. CONRAD, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 385, a bill to provide reimbursement under the medicare program for telehealth services, and for other purposes.

S. 389

At the request of Mr. ABRAHAM, the names of the Senator from Minnesota [Mr. GRAMS] and the Senator from Florida [Mr. MACK] were added as cosponsors of S. 389, a bill to improve congressional deliberation on proposed Federal private sector mandates, and for other purposes.

S. 394

At the request of Mr. HATCH, the names of the Senator from Virginia [Mr. ROBB], and the Senator from Texas [Mrs. HUTCHISON] were added as cosponsors of S. 394, a bill to partially restore compensation levels to their past equivalent in terms of real income and establish the procedure for adjusting future compensation of justices and judges of the United States.

S. 609

At the request of Mr. KENNEDY, the name of the Senator from New Jersey [Mr. TORRICELLI] was added as a cosponsor of S. 609, a bill to amend the Public Health Service Act and Employee Retirement Income Security Act of 1974 to require that group and individual health insurance coverage and group health plans provide coverage for reconstructive breast surgery if they provide coverage for mastectomies.

S. 627

At the request of Mr. JEFFORDS, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 627, a bill to reauthorize the African Elephant Conservation Act.

SENATE JOINT RESOLUTION 25

At the request of Mr. COCHRAN, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Joint Resolution 25, a joint resolution disapproving the rule of the Occupational Safety and Health Administration relating to occupational exposure to methylene chloride.

SENATE RESOLUTION 19

At the request of Mr. MOYNIHAN, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of Senate Resolution 19, a resolution expressing the sense of the Senate regarding United States opposition to the prison sentence of Tibetan ethnomusicologist Ngawang Choephel by the Government of the People's Republic of China.

SENATE RESOLUTION 79

At the request of Mr. KEMPTHORNE, the names of the Senator from Nevada [Mr. REID] and the Senator from Louisiana [Mr. BREAUX] were added as cosponsors of Senate Resolution 79, a resolution to commemorate the 1997 National Peace Officers Memorial Day.

AMENDMENTS SUBMITTED

THE VOLUNTEER PROTECTION ACT OF 1997

COVERDELL (AND OTHERS) AMENDMENT NO. 53

Mr. COVERDELL (for himself, Mr. LEAHY, Mr. ASHCROFT, Mr. MCCONNELL, Mr. ABRAHAM, and Mr. SANTORUM) proposed an amendment to the bill (S. 543) to provide certain protections to volunteers, nonprofit organizations, and governmental entities in lawsuits based on the activities of volunteers; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Volunteer Protection Act of 1997''.

SEC. 2. FINDINGS AND PURPOSE.

The Congress finds and declares that—

(1) the willingness of volunteers to offer their services is deterred by the potential for liability actions against them;

(2) as a result, many nonprofit public and private organizations and governmental entities, including voluntary associations, social service agencies, educational institutions, and other civic programs, have been adversely affected by the withdrawal of volunteers from boards of directors and service in other capacities;

(3) the contribution of these programs to their communities is thereby diminished, resulting in fewer and higher cost programs than would be obtainable if volunteers were participating;

(4) because Federal funds are expended on useful and cost-effective social service programs, many of which are national in scope, depend heavily on volunteer participation, and represent some of the most successful public-private partnerships, protection of volunteerism through clarification and limitation of the personal liability risks assumed by the volunteer in connection with such participation is an appropriate subject for Federal legislation;

(5) services and goods provided by volunteers and nonprofit organizations would often otherwise be provided by private entities that operate in interstate commerce;

(6) due to high liability costs and unwarranted litigation costs, volunteers and nonprofit organizations face higher costs in purchasing insurance, through interstate insurance markets, to cover their activities; and

(7) clarifying and limiting the liability risk assumed by volunteers is an appropriate subject for Federal legislation because—

(A) of the national scope of the problems created by the legitimate fears of volunteers about frivolous, arbitrary, or capricious lawsuits;

(B) the citizens of the United States depend on, and the Federal Government expends funds on, and provides tax exemptions and other consideration to, numerous social programs that depend on the services of volunteers;

(C) it is in the interest of the Federal Government to encourage the continued operation of volunteer service organizations and contributions of volunteers because the Federal Government lacks the capacity to carry out all of the services provided by such organizations and volunteers; and

(D)(i) liability reform for volunteers will promote the free flow of goods and services, lessen burdens on interstate commerce and uphold constitutionally protected due process rights; and

(ii) therefore, liability reform is an appropriate use of the powers contained in article 1, section 8, clause 3 of the United States Constitution, and the fourteenth amendment to the United States Constitution.

(b) PURPOSE.—The purpose of this Act is to promote the interests of social service program beneficiaries and taxpayers and to sustain the availability of programs, nonprofit organizations, and governmental entities that depend on volunteer contributions by reforming the laws to provide certain protections from liability abuses related to volunteers serving nonprofit organizations and governmental entities.

SEC. 3. PREEMPTION AND ELECTION OF STATE NONAPPLICABILITY.

(a) PREEMPTION.—This Act preempts the laws of any State to the extent that such