carried out through close cooperation between the girl and an adult Girl Scout volunteer.

As members of the Connecticut Trails Girl Scout Council, we believe they should receive the public recognition due them for their significant service to their community and their country.●

RIEGLE-NEAL CLARIFICATION ACT OF 1997

Mr. SANTORUM. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 58, H.R. 1306.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1306) to amend the Federal Deposit Insurance Act to clarify the applicability of host State laws to any branch in such State of an out-of-State bank.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENTS NOS. 372 AND 373, EN BLOC

Mr. SANTORUM. Mr. President, Senators D'AMATO and SARBANES have an amendment at the desk, and Senator FEINGOLD has an amendment at the desk, and I ask for their consideration en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM] proposes amendments numbered 372 and 373, en bloc.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 372

(Purpose: To amend provisions relating to the applicability of State and Federal law to interstate branching operations, and for other purposes)

On page 1, beginning on line 4, strike ''Clarification'' and insert ''Amendments''.

On page 1, line 7, insert ''(a) ACTIVITIES OF BRANCHES OF OUT-OF-STATE BANKS.—'' before ''Subsection''.

On page 2, strike line 22 and all that follows through page 3, line 2 and insert the following:

''(3) SAVINGS PROVISION.—No provision of this subsection shall be construed as affecting the applicability of—

''(A) any State law of any home State under subsection (b), (c), or (d) of section 44; or

''(B) Federal law to State banks and State bank branches in the home State or the host State.

On page 3, after line 5, add the following:

(b) LAW APPLICABLE TO INTERSTATE BRANCHING OPERATIONS.—Section 5155(f)(1) of the Revised Statutes (12 U.S.C. 36(f)(1)) is amended by adding at the end the following:

''(C) REVIEW AND REPORT ON ACTIONS BY COMPTROLLER.—The Comptroller of the Currency shall conduct an annual review of the actions it has taken with regard to the applicability of State law to national banks (or their branches) during the preceding year, and shall include in its annual report required under section 333 of the Revised Statutes (12 U.S.C. 14) the results of the review and the reasons for each such action. The first such review and report after the date of enactment of this subparagraph shall encompass all such actions taken on or after January 1, 1992.''.

Amend the title to read as follows: ''An Act to amend Federal law to clarify the applicability of host State laws to any branch in such State of an out-of-State bank, and for other purposes.''.

AMENDMENT NO. 373

(Purpose: Maintaining Right of a State to opt out of DIDA)

At the appropriate place, insert the following:

''Nothing in this act alters the right of states under section 525 of Public Law 96–221.''

Mr. D'AMATO. Mr. President, the trigger date for nationwide interstate branching has passed—June 1, 1997. This important legislation will preserve the benefits of the dual banking system and keep the State banking charter competitive in an interstate environment. It is critical that the Senate now consider and pass H.R. 1306, the Riegle-Neal Clarification Act of 1997.

The dual banking system has served this country well for over 100 years. The State banking system has been the source of major advances in the banking industry for the past 70 years.

Mr. President, the dual banking system is under attack. The bill is necessary to preserve confidence in a State banking charter for banks with such a charter that wish to operate in more than one State. In addition, it will curtail incentives for unnecessary Federal preemption of State laws. Finally, the bill will restore balance to the dual banking system by ensuring that neither charter operates at an unfair advantage in this new interstate environment.

Mr. President, the importance of this bill to my State has been communicated by Governor Pataki and the superintendent of banking. New York has more than 90 state-chartered banks with a total of more than half a trillion dollars in assets. These institutions play a vital role in the economic wellbeing of the State of New York. Without this legislation, the largest of these institutions may be tempted to convert to a national charter in order to operate in more than one State. The local bond with these institutions could be broken. New York State bank examiners would be no longer be examining these institutions for compliance with our State community reinvestment and consumer protection laws.

H.R. 1306 will help prevent this alarming scenario. It protects the dual banking system.

Mr. President, the problem cured by this bill can be simply described. The current law may be unclear as to whether consistent rules are used to determine what laws and powers apply to the out-of-State branches of State and federally chartered banks. To the extent it remains uncertain that current law establishes rough parity between charters in this regard, some banks may conclude that the national bank charter is the preferable option. This is not a hypothetical concern; Key Corp., one of the largest State-chartered banks in New York, converted to a national bank because of this uncertainty. H.R. 1306 would resolve any such ambiguity.

First, it would establish that a host State's law would apply to the out-of-State branches of a State-chartered bank only to the same extent that those laws apply to the branches of out-of-State national banks located in the host State. Second, it would make clear that host State branches would be allowed to exercise powers granted by their home State if such powers are permissible for either banks chartered by the host State or for national bank branches in that host State.

Enactment of H.R. 1306 also would bolster efforts in New York and other States to make sure that the State-chartered banks have the powers they need to compete efficiently and effectively in an interstate environment.

Mr. President, this bill is especially important now because of the efforts of the Comptroller of the Currency to preempt State laws and promote the national bank charter at the expense of the States and other Federal regulators. At a recent oversight hearing, I presented documentation, prepared by the OCC, that confirms that the OCC has mounted an unprecedented, aggressive marketing effort to convince State chartered banks to flip to a national charter.

I am pleased that our colleagues in the House, particularly Chairman LEACH and Representative ROUKEMA, were able to expeditiously guide this bill through the House, where the bill passed on the suspension calendar. I also want to thank my Senate colleagues for their cooperation, especially Senator SARBANES.

Mr. President, Senator SARBANES has reviewed and analyzed carefully the House bill and he has identified the need for a technical clarification to the House-passed bill contained in the amendment we have developed. The amendment would modify the title of the bill, provide a technical clarification to ensure that a national statute that applies to a State-chartered bank in its home State will also apply to a branch of the bank in a host State; and, finally, require the OCC to report to Congress on its preemption decisions since January 1, 1992, and annually thereafter.

The information yielded by this preemption reporting requirement on the OCC's preemption of State law in numerous areas will assist oversight of the Comptroller's use of preemptive authority. In my judgment, in recent years the OCC has used his authority over national banks to thwart traditional areas of State regulation—such

as regulation of insurance and consumer protection. With the benefit of the information and analysis the amendment will require, Congress will be in a better position to determine whether current law regarding preemption is too broad or its administrative interpretation and applications have been too expansive.

Mr. President, again I thank my distinguished ranking minority member, Senator SARBANES, and I urge my colleagues to support the amendment and the bill.

Mr. SARBANES. Mr. President, the amendment that I have offered together with Chairman D'AMATO to H.R. 1306 would make three changes in the legislation.

First, it would make the title of the legislation the Riegle-Neal Amendments Act of 1997. This reflects the fact that this legislation makes significant substantive changes to current law, and is not merely a clarification or technical change.

Second, the amendment requires that no provision of subsection 24(j) of the Federal Deposit Insurance Act, as amended by H.R. 1306, shall be construed as affecting the applicability of Federal law to State banks and State bank branches in the home State or the host State. There was a concern that subsection 24(j)(1), as amended by H.R. 1306, could have the unintended result of Federal law not applying to a branch in a host State of an out-of-State State bank that would apply to the bank in its home State.

Third, the amendment would require the Comptroller of the Currency to conduct an annual review of the actions it has taken with regard to the applicability of State law to national banks or their branches during the preceding year, and include in its annual report to Congress the results of the review and the reasons for each action. The first such review and report after the enactment of this legislation shall encompass all such actions taken on or after January 1, 1992.

There are a couple of reasons for the inclusion of this reporting requirement in this amendment. First, under current law, actions by the Comptroller preempting State law only benefit branches of national banks in the affected State. H.R. 1306 would expand the applicability of those preemption decisions to branches of out-of-State State banks. Given this significant expansion of the consequences of the Comptroller's preemption decisions, it seems reasonable and important to require the Comptroller to include in its annual report to Congress a review and explanation of these decisions.

In addition, when Congress enacted the Riegle-Neal Interstate Banking and Branching Efficiency Act in 1994, it specifically provided that State laws regarding consumer protection, community reinvestment, fair lending, and intrastate branching apply to the branches of State and national banks. The act provided that this set of State laws would not apply if Federal law preempts the application of such State laws to a national bank, or if the Comptroller of the Currency determines that the application of such State laws would have a discriminatory effect on the branch in comparison with the effect the application of such State laws would have with respect to branches of a bank chartered by the host State.

Concerns have been raised by consumer groups, both before and since the enactment of Riegle-Neal, that the Comptroller has undertaken preemptive actions which were unnecessarily expansive. The conference report which accompanied the enactment of the Riegle-Neal Act specifically addressed this point. The report stated:

> The Conferees have been made aware of certain circumstances in which the Federal banking agencies have applied traditional preemption principles in a manner the Conferees believe is inappropriately aggressive, resulting in preemption of state law in situations which the federal interest did not warrant that result. One illustration is OCC Interpretive letter No. 572, dated January 15, 1992, from the OCC to Robert M. Jaworski, Assistant Commissioner, State of New Jersey Department of Banking, concluding that national banks in New Jersey are not required to comply with the New Jersey Consumer Checking Account. It is of utmost concern to the Conferees that the agencies issue opinion letters and interpretive rules concluding that Federal law preempts state law regarding community reinvestment, consumer protection, fair lending, or establishment of intrastate branches only when the agency has determined that the Federal policy interest in preemption is clear. In the case of Interpretive Letter No. 572, it is the sense of the Conferees that the fact the Congress has acknowledged the benefits of more widespread use of lifeline accounts through the enactment of the Bank Enterprise Act did not indicate that Congress intended to override State basic banking laws, or occupy the area of basic banking services to such an extent as to displace State laws, or that the existence of State basic banking laws frustrated the purpose of the Congress.

The ruling referred to in the conference report has been under review by the OCC but has not been changed. Other actions have been taken by the Comptroller since the enactment of Riegle-Neal which have raised similar concerns. For example, in 1996 the OCC finalized a regulation exempting national banks from State laws protecting consumers from high credit card fees.

Given these concerns, and the more expansive application the OCC's rulings will have as a result of H.R. 1306, it is important for the Comptroller to report to the Congress annually on its preemption actions, if any, and the rationale for the preemptions.

Mr. FEINGOLD. Mr. President, let me thank the chairman of the Banking Committee, Mr. D'AMATO, and the distinguished ranking member, Mr. SARBANES, for accepting this modification to H.R. 1306, which preserves the right of States to opt out of Federal preemption under provisions of the 1980 Depository Institutions Deregulation and Monetary Control Act [DIDA]. With this amendment, the measure retains a key distinction between DIDA and the National Bank Act by continuing to allow States the right to regulate, except as to national banks, both interest rates and noninterest rate terms, such as late charges, over the limit fees, and not-sufficient fund fees, and I am pleased to offer this modification.

As the former chairman of the Wisconsin Senate Banking Committee, I know the important role of State in this area, and of the contribution State regulation makes to the entire banking system. As the interstate banking and branching laws are implemented, it is critical that States retain that vital role.

Ms. MOSELEY-BRAUN. Mr. President, I am pleased that the Banking Committee, on which I serve, has come to an agreement on the Riegle-Neal clarifications bill. This legislation provides legal certainty for banks and bank supervisors regarding the Riegle-Neal interstate banking law passed in 1994. The Congress passed the Interstate banking law to end the patchwork of laws that had arisen in this area, and to provide for an efficient system for banks to operate in more than one State. It was legislation that was badly needed and long overdue, given the huge changes that have been ongoing in our economy generally, and in the financial services area, specifically.

However, some confusion remains regarding the application of home State law versus the application of host State law to a State-chartered bank that branches outside its home State. Although the 1994 law clearly reserved the areas of intrastate branching, community reinvestment, consumer protection, and fair lending for host State jurisdiction, the extent to which other host State laws applied to an out-of-state state chartered bank remained ambiguous. State-chartered banks wanting to expand across State lines have faced legal uncertainty about what law governs their powers outside their home State, and many were contemplating switching to a national charter in order to gain that certainty. This bill, the Riegle-Neal Clarification Act of 1997, eliminates that ambiguity, ensuring the viability of our dual banking system by clearly stating that host State law applies to branches of State-chartered banks only to the extent that it applies to national bank branches.

This bill levels the playing field between State-chartered banks and national chartered banks that branch across State lines. It is important to the preservation of a strong, State-chartered banking system, which benefits the safety and soundness of the banking system as a whole. I wish to commend my colleagues on the Senate Banking Committee who have worked hard on this agreement and I urge swift passage of the bill.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the amendments be agreed to en bloc.

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

The amendments (Nos. 372 and 373) were agreed to.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, as amended; that the motion to reconsider be laid upon the table; that the title amendment be agreed to; and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (H. R. 1306), as amended, was deemed read the third time and passed.

The title was amended so as to read:

''An Act to amend Federal law to clarify the applicability of host State laws to any branch in such State of an out-of-State bank, and for other purposes.''.

AMENDMENTS TO THE ORGANIC ACTS OF GUAM AND THE VIRGIN ISLANDS AND THE COMPACT OF FREE ASSOCIATION ACT

Mr. SANTORUM. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 64, S. 210.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (S. 210) to amend the Organic Act of Guam, the Revised Organic Act of the Virgin Islands, and the Compact of Free Association Act, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. MARSHALL ISLANDS AGRICULTURAL AND FOOD PROGRAMS.

Section 103(h)(2) of the Compact of Free Association Act of 1985 (48 U.S.C. 1903(h)(2) is amended by striking ''ten'' and inserting ''fifteen'' and by adding at the end of subparagraph (B) the following: ''The President shall ensure that the amount of commodities provided under these programs reflects the changes in the population that have occurred since the effective date of the Compact.''.

SEC. 2. AMENDMENT TO THE ORGANIC ACT OF GUAM.

Section 8 of the Organic Act of Guam (48 U.S.C. 1422b), as amended, is further amended by adding at the end thereof the following new subsection:

''(e) An absence from Guam of the Governor or the Lieutenant Governor, while on official business, shall not be a 'temporary absence' for the purposes of this section.''

SEC. 3. TERRITORIAL LAND GRANT COLLEGES.

(a) LAND GRANT STATUS.—Section 506(a) of the Education Amendments of 1972 (Public Law 92–318, as amended; 7 U.S.C. 301 note) is amended by striking ''the College of Micronesia,'' and inserting ''the College of the Marshall Islands, the College of Micronesia-FSM, the Palau Community College,''.

(b) ENDOWMENT.—The amount of the land grant trust fund attributable to the $3,000,000 appropriation for Micronesia authorized by the Education Amendments of 1972 (Public Law 92–318, as amended; 7 U.S.C. 301 note) shall, upon enactment of this Act, be divided equally among the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau for the benefit of the College of the Marshall Islands, the College of Micronesia-FSM, and the Palau Community College.

(c) TREATMENT.—Section 1361(c) of the Education Amendments of 1980 (Public Law 96–374, as amended; 7 U.S.C. 301 note) is amended by striking ''and the Trust Territory of the Pacific Islands (other than the Northern Mariana Islands)'' and inserting ''the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau''. The proportion of any allocation of funds to the Trust Territory of the Pacific islands under any Act in accordance with section 1361(c) of Public Law 96–374 prior to the enactment of this Act shall hereafter remain the same with the amount of such funds divided as may be agreed among the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.

SEC. 4. OPPORTUNITY FOR THE GOVERNMENT OF GUAM TO ACQUIRE EXCESS REAL PROPERTY IN GUAM.

(a) TRANSFER OF EXCESS REAL PROPERTY.—(1) Except as provided in subsection (d), before screening excess real property located on Guam for further Federal utilization under section 202 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471, et seq.) (hereinafter the ''Property Act''), the Administrator shall notify the Government of Guam that the property is available for transfer pursuant to this section.

(2) If the Government of Guam, within 180 days after receiving notification under paragraph (1), notifies the Administrator that the Government of Guam intends to acquire the property under this section, the Administrator shall transfer such property in accordance with subsection (b). Otherwise, the property shall be disposed of in accordance with the Property Act.

(b) CONDITIONS OF TRANSFER.—(1) Any transfer of excess real property to the Government of Guam for other than a public purpose shall be for consideration equal to the fair market value.

(2) Any transfer of excess real property to the Government of Guam for a public purpose shall be without further consideration.

(3) All transfers of excess real property to the Government of Guam shall be subject to such restrictive covenants as the Administrator, in consultation with the Secretary of Defense, in the case of property reported excess by a military department, determines in their sole discretion to be necessary to ensure that (A) the use of the property is compatible with continued military activities on Guam, (B) the use of the property is consistent with the environmental condition of the property; (C) access is available to the United States to conduct any additional environmental remediation or monitoring that may be required; (D) to the extent the property was transferred for a public purpose, that the property is so utilized; and (E) to the extent the property has been leased by another Federal agency for a minimum of two (2) years under a lease entered into prior to May 1, 1997, that the transfer to the Government of Guam be subject to the terms and conditions of those leasehold interests.

(4) All transfers of excess real property to the Government of Guam are subject to all otherwise applicable Federal laws.

(c) DEFINITIONS.—For the purposes of this section:

(1) The term ''Administrator'' means—

(A) the Administrator of General Services; or

(B) the head of any Federal agency with the authority to dispose of excess real property on Guam.

(2) The term ''base closure law'' means the Defense Authorization Amendments and Base Closure and Realignment Act of 1988 (Public Law 100–526), the Defense Base Closure and Realignment Act of 1990 (Public Law 101–510), or similar base closure authority.

(3) The term ''excess real property'' means excess property (as that term is defined in section 3 of the Property Act) that is real property and was acquired by the United States prior to enactment of this section.

(4) The term ''Guam National Wildlife Refuge'' includes those lands within the refuge overlay under the jurisdiction of the Department of Defense, identified as DoD lands in figure 3, on page 74, and as submerged lands in figure 7, on page 78 of the ''Final Environmental Assessment for the Proposed Guam National Wildlife Refuge, Territory of Guam, July 1993'' to the extent that the federal government holds title to such lands.

(5) The term ''public purpose'' means those public benefit purposes for which the United States may dispose of property pursuant to section 203 of the Property Act, as implemented by the Federal Property Management Regulations (41 CFR 101–47) or other public benefit uses provided under the Guam Excess Lands Act (Public Law 103–339. 108 Stat. 3116).

(d) EXEMPTIONS.—Notwithstanding that such property may be excess real property, the provisions of this section shall not apply:

(1) To real property on Guam that is declared excess by the Department of Defense for the purpose of transferring that property to the Coast Guard; or

(2) To real property on Guam that is declared excess by the managing Federal agency for the purpose of transferring that property to the Federal Agency which has occupied the property for a minimum of two (2) years at the time the property is declared excess and which was occupying such property prior to May 1, 1997.

(3) To real property on Guam that is located within the Guam National Wildlife Refuge, which shall be transferred according to the following procedure:

(A) The Administrator shall notify the Government of Guam and the Fish and Wildlife Service that such property has been declared excess. The Government of Guam and the Fish and Wildlife Service shall have 180 days to engage in discussions toward an agreement providing for the future ownership and management of such real property.

(B) If the parties reach an agreement under paragraph (A) within 180 days after notification of the declaration of excess, the real property shall be transferred and managed in accordance with such agreement: Provided, That such agreement shall be transmitted to the Committee on Energy and Natural Resources of the United States Senate and the appropriate committees of the United States House of Representatives not less than 60 days prior to such transfer and any such transfer shall be subject to the other provisions of this section.

(C) If the parties do not reach an agreement under paragraph (A) within 180 days after notification of the declaration of excess, the Administrator shall provide a report to Congress on the status of the discussions, together with his recommendations on the likelihood of resolution of differences and the comments of the Fish and Wildlife Service and the Government of Guam. If the subject property is under the jurisdiction of a military department, the military department may transfer administrative control over the property to the General Services Administration.

(D) If the parties come to agreement prior to congressional action, the real property shall be transferred and managed in accordance with such agreement: Provided, That such agreement shall be transmitted to the Committee on Energy and Natural Resources of the United States Senate and the appropriate committees of the United States House of Representatives not less than