received on July 7, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2501. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, twelve rules received on July 10, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2502. A communication from the National Oceanic and Atmospheric Administration, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, a rule received on July 1, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2503. A communication from the Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, a rule received on June 27, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2504. A communication from the Acting Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, four rules; to the Committee on Commerce, Science, and Transportation.

EC–2505. A communication from the Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, four rules; to the Committee on Commerce, Science, and Transportation.

EC–2506. A communication from the Deputy Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, three rules; to the Committee on Commerce, Science, and Transportation.

EC–2507. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, two rules received on July 16, 1997; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–185. A resolution adopted by the Blount County (Tennessee) Legislative Body relative to the National Spallation Neutron Source; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GREGG, from the Committee on Appropriations, without amendment:

S. 1022. An original bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1998, and for other purposes (Rept. No. 105–48).

By Mr. CAMPBELL, from the Committee on Appropriations, without amendment:

S. 1023. An original bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1998, and for other purposes (Rept. No. 105–49).

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. HAGEL (for himself, Mr. CLELAND, Mr. HUTCHINSON, Mr. DORGAN, Mr. BURNS, Mr. ROTH, Mr. FAIRCLOTH, Mr. HELMS, Mr. MOYNIHAN, Ms. LANDRIEU, Mr. REID, and Mr. CAMPBELL):

S. 1021. A bill to amend title 5, United States Code, to provide that consideration may not be denied to preference eligibles applying for certain positions in the competitive service, and for other purposes; to the Committee on Veterans Affairs.

By Mr. GREGG:

S. 1022. An original bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1998, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. CAMPBELL:

S. 1023. An original bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1998, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. GRASSLEY (for himself, Mr. DASCHLE, and Mr. DURBIN):

S. 1024. A bill to make chapter 12 of title 11 of the United States Code permanent, and for other purposes; to the Committee on the Judiciary.

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

S. 1025. A bill to provide for a study of the South Florida High Intensity Drug Trafficking Area, and for other purposes; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. GORTON (for himself and Mrs. FEINSTEIN):

S. Res. 108. Resolution expressing the sense of the Senate on the European Commissions handling of the Boeing McDonnell-Douglas merger; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HAGEL (for himself, Mr. CLELAND, Mr. HUTCHINSON, Mr. DORGAN, Mr. BURNS, Mr. ROTH, Mr. FAIRCLOTH, Mr. HELMS, Mr. MOYNIHAN, Ms. LANDRIEU, Mr. REID), and Mr. CAMPBELL:

S. 1021. A bill to amend title 5, United States Code, to provide that consideration may not be denied to preference eligibles applying for certain positions in the competitive service, and for other purposes; to the Committee on Veterans Affairs.

THE VETERANS EMPLOYMENT OPPORTUNITIES ACT OF 1997

Mr. HAGEL. Mr. President, I rise today to introduce the Veterans Employment Opportunities Act of 1997, along with my good friend and distinguished colleague, Senator MAX CLELAND. We are joined by Senators HUTCHINSON of Arkansas, HELMS, DORGAN, ROTH, FAIRCLOTH, BURNS, LANDRIEU, MOYNIHAN, REID of Nevada, and CAMPBELL. This important piece of legislation is needed to help America's most deserving and self-sacrificing citizens, our veterans, to get and hold jobs with the Federal Government.

In 1944, the Congress enacted the first veterans employment preference legislation. That law was intended to assist service men and women returning from the battlefields of World War II in getting Federal Government jobs. Through the years many changes have taken place in the way we manage civil service personnel within our Government, and most recently there has been considerable focus on downsizing the Federal bureaucracy. One thing has not changed however, and that is that our veterans need to find employment when they return to civilian life.

This bill addresses the critical need to revise and make more ''user friendly'' those laws that help veterans to get Federal jobs, and to hold on to them as the Government downsizes. I want to emphasize that this bill does not guarantee anyone a job, but it does allow the sacrifices made by those who served in uniform to have their service recognized as they are considered along with others for Federal jobs.

The statistical evidence of need for this legislation tells a troubling story. When Federal job openings occur, the hiring official is sent a job referral list that includes the names of qualified applicants from which the job can be filled. The General Accounting Office [GAO] found that 71 percent of job referral lists were returned without hiring when a veteran headed the list. By contrast, 51 percent of nonveteran lists are returned. Not only are veterans not getting the preference that the statutes require, but too often, veterans are less likely than other applicants to be hired for a Federal job.

This bill will also end unfair designer RIFs that single out veterans for removal from the Federal work force during reductions in force. Perhaps more important, this bill makes a violation of this law a prohibited personnel practice, putting teeth in the law where none now exist.

I am proud to say that 19 military, veterans, and patriotic associations have indicated that such legislation is needed and that they strongly support this legislation.

Those who have made very special contributions to America and our way of life, ensuring freedom and individual liberties to all Americans, deserve recognition and fairness when applying for employment in Federal Government. Our veterans do not ask for special privileges. Fifty years ago this Nation made the decision to recognize the sacrifices and extra commitment made by

our veterans for America. This legislation ensures that special recognition will be provided.

I am very proud to join my friend and colleague, the distinguished Senator from Georgia, Senator MAX CLELAND, who himself has made tremendous contributions to this country.

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. 1021

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 ''Veterans Employment Opportunities Act of 1997''.

SEC. 2. EQUAL ACCESS FOR VETERANS.

(a) COMPETITIVE SERVICE.—Section 3304 of title 5, United States Code, is amended by adding at the end the following:

''(f)(1) No preference eligible, and no individual (other than a preference eligible) who has been separated from the armed forces under honorable conditions after 3 or more years of active service, shall be denied the opportunity to compete for an announced vacant position within an agency, in the competitive service or the excepted service, by reason of—

''(A) not having acquired competitive status; or

''(B) not being an employee of such agency.

''(2) Nothing in this subsection shall prevent an agency from filling a vacant position (whether by appointment or otherwise) solely from individuals on a priority placement list consisting of individuals who have been separated from the agency due to a reduction in force and surplus employees (as defined under regulations prescribed by the Office).''.

(b) CIVIL SERVICE EMPLOYMENT INFORMATION.—

(1) VACANT POSITIONS.—Section 3327(b) of title 5, United States Code, is amended by striking ''and'' at the end of paragraph (1), by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following:

''(2) each vacant position in the agency for which competition is restricted to individuals having competitive status or employees of such agency, excluding any position under paragraph (1), and''.

(2) ADDITIONAL INFORMATION.—Section 3327 of title 5, United States Code, is amended by adding at the end the following:

''(c) Any notification provided under this section shall, for all positions under subsection (b)(1) as to which section 3304(f) applies and for all positions under subsection (b)(2), include a notation as to the applicability of section 3304(f) with respect thereto.

''(d) In consultation with the Secretary of Labor, the Office shall submit to Congress and the President, no less frequently than every 2 years, a report detailing, with respect to the period covered by such report—

''(1) the number of positions listed under this section during such period;

''(2) the number of preference eligibles and other individuals described in section 3304(f)(1) referred to such positions during such period; and

''(3) the number of preference eligibles and other individuals described in section 3304(f)(1) appointed to such positions during such period.''.

(c) GOVERNMENTWIDE LISTS.—

(1) VACANT POSITIONS.—Section 3330(b) of title 5, United States Code, is amended to read as follows:

''(b) The Office of Personnel Management shall cause to be established and kept current—

''(1) a comprehensive list of all announcements of vacant positions (in the competitive service and the excepted service, respectively) within each agency that are to be filled by appointment for more than 1 year and for which applications are being or will soon be accepted from outside the agency's work force; and

''(2) a comprehensive list of all announcements of vacant positions within each agency for which applications are being or will soon be accepted and for which competition is restricted to individuals having competitive status or employees of such agency, excluding any position required to be listed under paragraph (1).''.

(2) ADDITIONAL INFORMATION.—Section 3330(c) of title 5, United States Code, is amended by striking ''and'' at the end of paragraph (2), by redesignating paragraph (3) as paragraph (4), and by inserting after paragraph (2) the following:

''(3) for all positions under subsection (b)(1) as to which section 3304(f) applies and for all positions under subsection (b)(2), a notation as to the applicability of section 3304(f) with respect thereto; and''.

(3) CONFORMING AMENDMENT.—Section 3330(d) of title 5, United States Code, is amended by striking ''The list'' and inserting ''Each list under subsection (b)''.

(d) PROVISIONS RELATING TO THE UNITED STATES POSTAL SERVICE.—

(1) IN GENERAL.—Subsection (a) of section 1005 of title 39, United States Code, is amended by adding at the end the following:

''(5)(A) The provisions of section 3304(f) of title 5 shall apply with respect to the Postal Service in the same manner and under the same conditions as if the Postal Service were an agency within the meaning of such provisions.

''(B) Nothing in this subsection shall be considered to require the application of section 3304(f) of title 5 in the case of any individual who is not an employee of the Postal Service if—

''(i) the vacant position involved is to be filled pursuant to a collective-bargaining agreement;

''(ii) the collective-bargaining agreement restricts competition for such position to individuals employed in a bargaining unit or installation within the Postal Service in which the position is located;

''(iii) the collective-bargaining agreement provides that the successful applicant shall be selected on the basis of seniority or qualifications; and

''(iv) the position to be filled is within a bargaining unit.

''(C) The provisions of this paragraph shall not be modified by any program developed under section 1004 of this title or any collective-bargaining agreement entered into under chapter 12 of this title.''.

(2) CONFORMING AMENDMENT.—The first sentence of section 1005(a)(2) of title 39, United States Code, is amended by striking ''title.'' and inserting ''title, subject to paragraph (5) of this subsection.''.

SEC. 3. SPECIAL PROTECTIONS FOR PREFERENCE ELIGIBLES IN REDUCTIONS IN FORCE.

(a) IN GENERAL.—Section 3502 of title 5, United States Code, as amended by section 1034 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 430), is amended by adding at the end the following:

''(g)(1) A position occupied by a preference eligible shall not be placed in a single-position competitive level if the preference eligible is qualified to perform the essential functions of any other position at the same grade (or occupational level) in the competitive area. In such cases, the preference eligible shall be entitled to be placed in another competitive level for which such preference eligible is qualified. If the preference eligible is qualified for more than one competitive level, such preference eligible shall be placed in the competitive level containing the most positions.

''(2) For purposes of paragraph (1)—

''(A) a preference eligible shall be considered qualified to perform the essential functions of a position if, by reason of experience, training, or education (and, in the case of a disabled veteran, with reasonable accommodation), a reasonable person could conclude that the preference eligible would be able to perform those functions successfully within a period of 150 days; and

''(B) a preference eligible shall not be considered unqualified solely because such preference eligible does not meet the minimum qualification requirements relating to previous experience in a specified grade (or occupational level), if any, that are established for such position by the Office of Personnel Management or the agency.

''(h) In connection with any reduction in force, a preference eligible whose current or most recent performance rating is at least fully successful (or the equivalent) shall have, in addition to such assignment rights as are prescribed by regulation, the right, in lieu of separation, to be assigned to any position within the agency conducting the reduction in force—

''(1) for which such preference eligible is qualified under subsection (g)(2)—

''(A) that is within the preference eligible's commuting area and at the same grade (or occupational level) as the position from which the preference eligible was released, and that is then occupied by an individual, other than another preference eligible, who was placed in such position (whether by appointment or otherwise) within 6 months before the reduction in force if, within 12 months prior to the date on which such individual was so placed in such position, such individual had been employed in the same competitive area as the preference eligible; or

''(B) that is within the preference eligible's competitive area and that is then occupied by an individual, other than another preference eligible, who was placed in such position (whether by appointment or otherwise) within 6 months before the reduction in force; or

''(2) for which such preference eligible is qualified that is within the preference eligible's competitive area and that is not more than 3 grades (or pay levels) below that of the position from which the preference eligible was released, except that, in the case of a preference eligible with a compensable service-connected disability of 30 percent or more, this paragraph shall be applied by substituting '5 grades' for '3 grades'.

In the event that a preference eligible is entitled to assignment to more than 1 position under this subsection, the agency shall assign the preference eligible to any such position requiring no reduction (or, if there is no such position, the least reduction) in basic pay. A position shall not, with respect to a preference eligible, be considered to satisfy the requirements of paragraph (1) or (2), as applicable, if it does not last for at least 12 months following the date on which such preference eligible is assigned to such position under this subsection.

''(i) A preference eligible may challenge the classification of any position to which the preference eligible asserts assignment

rights (as provided by, or prescribed by regulations described in, subsection (h)) in an action before the Merit Systems Protection Board.

''(j)(1) Not later than 90 days after the date of the enactment of the Veterans Employment Opportunities Act of 1997, each Executive agency shall establish an agencywide priority placement program to facilitate employment placement for employees who—

''(A)(i) are scheduled to be separated from service due to a reduction in force under—

''(I) regulations prescribed under this section; or

''(II) procedures established under section 3595; or

''(ii) are separated from service due to such a reduction in force; and

''(B)(i) have received a rating of at least fully successful (or the equivalent) as the last performance rating of record used for retention purposes; or

''(ii) occupy positions excluded from a performance appraisal system by law, regulation, or administrative action taken by the Office of Personnel Management.

''(2)(A) Each agencywide priority placement program under this subsection shall include provisions under which a vacant position shall not (except as provided in this paragraph or any other statute providing the right of reemployment to any individual) be filled by the appointment or transfer of any individual from outside of that agency (other than an individual described in subparagraph (B)) if—

''(i) there is then available any individual described in subparagraph (B) who is qualified for the position; and

''(ii) the position—

''(I) is at the same grade or pay level (or the equivalent) or not more than 3 grades (or grade intervals) below that of the position last held by such individual before placement in the new position;

''(II) is within the same commuting area as the individual's last-held position (as referred to in subclause (I)) or residence; and

''(III) has the same type of work schedule (whether full-time, part-time, or intermittent) as the position last held by the individual.

''(B) For purposes of an agencywide priority placement program, an individual shall be considered to be described in this subparagraph if such individual—

''(i)(I) is an employee of such agency who is scheduled to be separated, as described in paragraph (1)(A)(i); or

''(II) is an individual who became a former employee of such agency as a result of a separation, as described in paragraph (1)(A)(ii), excluding any individual who separated voluntarily under subsection (f); and

''(ii) satisfies clause (i) or (ii) of paragraph (1)(B).

''(3)(A) If after a reduction in force the agency has no positions of any type within the local commuting areas specified in this subsection, the individual may designate a different local commuting area where the agency has continuing positions in order to exercise reemployment rights under this subsection. An agency may determine that such designations are not in the interest of the Government for the purpose of paying relocation expenses under subchapter II of chapter 57.

''(B) At its option, an agency may administratively extend reemployment rights under this subsection to include other local commuting areas.

''(4)(A) In selecting employees for positions under this subsection, the agency shall place qualified present and former employees in retention order by veterans' preference subgroup and tenure group.

''(B) An agency may not pass over a qualified present or former employee to select an individual in a lower veterans' preference subgroup within the tenure group, or in a lower tenure group.

''(C) Within a subgroup, the agency may select a qualified present or former employee without regard to the individual's total creditable service.

''(5) An individual is eligible for reemployment priority under this subsection for 2 years from the effective date of the reduction in force from which the individual will be, or has been, separated under this section or section 3595, as the case may be.

''(6) An individual loses eligibility for reemployment priority under this subsection when the individual—

''(A) requests removal in writing;

''(B) accepts or declines a bona fide offer under this subsection or fails to accept such an offer within the period of time allowed for such acceptance, or

''(C) separates from the agency before being separated under this section or section 3595, as the case may be.

A present or former employee who declines a position with a representative rate (or equivalent) that is less than the rate of the position from which the individual was separated under this section retains eligibility for positions with a higher representative rate up to the rate of the individual's last position.

''(7) Whenever more than one individual is qualified for a position under this subsection, the agency shall select the most highly qualified individual, subject to paragraph (4).

''(8) The Office of Personnel Management shall issue regulations to implement this subsection.''.

(b) APPLICABILITY.—

(1) IN GENERAL.—Subject to paragraph (2), the amendments made by this section shall apply with respect to—

(A) reductions in force taking effect after the end of the 90-day period beginning on the date of the enactment of this Act; or

(B) in the case of the Department of Defense, reductions in force taking effect after the end of the 1-year period beginning on the date of the enactment of this Act.

(2) ONGOING REDUCTIONS IN FORCE.—If an agency has given written notice of a reduction in force to any of its employees within a competitive area, in accordance with section 3502(d)(1)(A) of title 5, United States Code, before the effective date under subparagraph (A) or (B) of paragraph (1), as applicable, then, for purposes of determining the rights of any employee within such area in connection with such reduction in force, the amendments made by this section shall be treated as if they had never been enacted. Nothing in the preceding sentence shall affect any rights under a priority placement program under section 3502(j) of title 5, United States Code, as amended by this section.

SEC. 4. IMPROVED REDRESS FOR VETERANS.

(a) IN GENERAL.—Subchapter I of chapter 33 of title 5, United States Code, is amended by adding at the end the following:

''§ 3330a. Administrative redress

''(a)(1) Any preference eligible or other individual described in section 3304(f)(1) who alleges that an agency has violated such individual's rights under any statute or regulation relating to veterans' preference, or any right afforded such individual by section 3304(f), may file a complaint with the Secretary of Labor.

''(2) A complaint under this subsection must be filed within 60 days after the date of the alleged violation, and the Secretary shall process such complaint in accordance with sections 4322 (a) through (e)(1) and 4326 of title 38.

''(b)(1) If the Secretary of Labor is unable to resolve the complaint within 60 days after the date on which it is filed, the complainant may elect to appeal the alleged violation to the Merit Systems Protection Board in accordance with such procedures as the Merit Systems Protection Board shall prescribe, except that in no event may any such appeal be brought—

''(A) before the 61st day after the date on which the complaint is filed under subsection (a); or

''(B) later than 15 days after the date on which the complainant receives notification from the Secretary of Labor under section 4322(e)(1) of title 38.

''(2) An appeal under this subsection may not be brought unless—

''(A) the complainant first provides written notification to the Secretary of Labor of such complainant's intention to bring such appeal; and

''(B) appropriate evidence of compliance with subparagraph (A) is included (in such form and manner as the Merit Systems Protection Board may prescribe) with the notice of appeal under this subsection.

''(3) Upon receiving notification under paragraph (2)(A), the Secretary of Labor shall not continue to investigate or further attempt to resolve the complaint to which such notification relates.

''(c) This section shall not be construed to prohibit a preference eligible from appealing directly to the Merit Systems Protection Board from any action which is appealable to the Board under any other law, rule, or regulation, in lieu of administrative redress under this section.

''§ 3330b. Judicial redress

''(a) In lieu of continuing the administrative redress procedure provided under section 3330a(b), a preference eligible or other individual described in section 3304(f)(1) may elect, in accordance with this section, to terminate those administrative proceedings and file an action with the appropriate United States district court not later than 60 days after the date of the election.

''(b) An election under this section may not be made—

''(1) before the 121st day after the date on which the appeal is filed with the Merit Systems Protection Board under section 3330a(b); or

''(2) after the Merit Systems Protection Board has issued a judicially reviewable decision on the merits of the appeal.

''(c) An election under this section shall be made, in writing, in such form and manner as the Merit Systems Protection Board shall by regulation prescribe. The election shall be effective as of the date on which it is received, and the administrative proceeding to which it relates shall terminate immediately upon the receipt of such election.

''§ 3330c. Remedy

''(a) If the Merit Systems Protection Board (in a proceeding under section 3330a) or a court (in a proceeding under section 3330b) determines that an agency has violated a right described in section 3330a, the Board or court (as the case may be) shall order the agency to comply with such provisions and award compensation for any loss of wages or benefits suffered by the individual by reason of the violation involved. If the Board or court determines that such violation was willful, it shall award an amount equal to backpay as liquidated damages.

''(b) A preference eligible or other individual described in section 3304(f)(1) who prevails in an action under section 3330a or 3330b shall be awarded reasonable attorney fees, expert witness fees, and other litigation expenses.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 33 of title 5, United States Code, is amended by

adding after the item relating to section 3330 the following:

''3330a. Administrative redress.
''3330b. Judicial redress.
''3330c. Remedy.''.

SEC. 5. EXTENSION OF VETERANS' PREFERENCE.

(a) AMENDMENT TO TITLE 5, UNITED STATES CODE.—Paragraph (3) of section 2108 of title 5, United States Code, is amended by striking ''the Federal Bureau of Investigation and Drug Enforcement Administration Senior Executive Service, or the General Accounting Office;'' and inserting ''or the Federal Bureau of Investigation and Drug Enforcement Administration Senior Executive Service;''.

(b) AMENDMENTS TO TITLE 3, UNITED STATES CODE.—

(1) IN GENERAL.—Chapter 2 of title 3, United States Code, is amended by adding at the end the following:

''§ 115. Veterans' preference

''(a) Subject to subsection (b), appointments under sections 105, 106, and 107 shall be made in accordance with section 2108, and sections 3309 through 3312, of title 5.

''(b) Subsection (a) shall not apply to any appointment to a position the rate of basic pay for which is at least equal to the minimum rate established for positions in the Senior Executive Service under section 5382 of title 5 and the duties of which are comparable to those described in section 3132(a)(2) of such title or to any other position if, with respect to such position, the President makes certification—

''(1) that such position is—

''(A) a confidential or policy-making position; or

''(B) a position for which political affiliation or political philosophy is otherwise an important qualification; and

''(2) that any individual selected for such position is expected to vacate the position at or before the end of the President's term (or terms) of office.

Each individual appointed to a position described in the preceding sentence as to which the expectation described in paragraph (2) applies shall be notified as to such expectation, in writing, at the time of appointment to such position.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 2 of title 3, United States Code, is amended by adding at the end the following:

''115. Veterans' preference.''.

(c) LEGISLATIVE BRANCH APPOINTMENTS.—

(1) DEFINITIONS.—For the purposes of this subsection, the terms ''employing office'', ''covered employee'', and ''Board'' shall each have the meaning given such term by section 101 of the Congressional Accountability Act of 1995 (2 U.S.C. 1301).

(2) RIGHTS AND PROTECTIONS.—The rights and protections established under section 2108, sections 3309 through 3312, and subchapter I of chapter 35, of title 5, United States Code, shall apply to covered employees.

(3) REMEDIES.—

(A) IN GENERAL.—The remedy for a violation of paragraph (2) shall be such remedy as would be appropriate if awarded under applicable provisions of title 5, United States Code, in the case of a violation of the relevant corresponding provision (referred to in paragraph (2)) of such title.

(B) PROCEDURE.—The procedure for consideration of alleged violations of paragraph (2) shall be the same as apply under section 401 of the Congressional Accountability Act of 1995 (and the provisions of law referred to therein) in the case of an alleged violation of part A of title II of such Act.

(4) REGULATIONS TO IMPLEMENT SUBSECTION.—

(A) IN GENERAL.—The Board shall, pursuant to section 304 of the Congressional Accountability Act of 1995 (2 U.S.C. 1384), issue regulations to implement this subsection.

(B) AGENCY REGULATIONS.—The regulations issued under subparagraph (A) shall be the same as the most relevant substantive regulations (applicable with respect to the executive branch) promulgated to implement the statutory provisions referred to in paragraph (2) except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this subsection.

(C) COORDINATION.—The regulations issued under subparagraph (A) shall be consistent with section 225 of the Congressional Accountability Act of 1995 (2 U.S.C. 1361).

(5) APPLICABILITY.—Notwithstanding any other provision of this subsection, the term ''covered employee'' shall not, for purposes of this subsection, include an employee—

(A) whose appointment is made by the President with the advice and consent of the Senate;

(B) whose appointment is made by a Member of Congress or by a committee or subcommittee of either House of Congress; or

(C) who is appointed to a position, the duties of which are equivalent to those of a Senior Executive Service position (within the meaning of section 3132(a)(2) of title 5, United States Code).

(6) EFFECTIVE DATE.—Paragraphs (2) and (3) shall be effective as of the effective date of the regulations under paragraph (4).

(d) JUDICIAL BRANCH APPOINTMENTS.—

(1) IN GENERAL.—Subject to paragraphs (2) through (4), the Judicial Conference of the United States shall prescribe regulations to provide for—

(A) veterans' preference in the consideration of applicants for employment, and in the conduct of any reductions in force, within the judicial branch; and

(B) redress procedures for alleged violations of any rights provided for under subparagraph (A).

(2) REGULATIONS TO BE BASED ON EXISTING PROVISIONS.—Under the regulations—

(A) a preference eligible (as defined by section 2108 of title 5, United States Code) shall be afforded preferences similar to those under sections 3309 through 3312, and subchapter I of chapter 35, of such title 5; and

(B) the redress procedures provided for shall be similar to those under the amendments made by section 4.

(3) EXCLUSIONS.—Nothing in the regulations shall apply with respect to—

(A) an appointment made by the President, with the advice and consent of the Senate;

(B) an appointment as a judicial officer;

(C) an appointment as a law clerk or secretary to a justice or judge of the United States; or

(D) an appointment to a position, the duties of which are equivalent to those of a Senior Executive Service position (within the meaning of section 3132(a)(2) of title 5, United States Code).

(4) CONSULTATION.—The regulations under this subsection shall be prescribed by the Judicial Conference of the United States, in consultation with—

(A) the largest congressionally chartered veterans' service organization;

(B) 2 congressionally chartered veterans' service organizations that represent former noncommissioned officers;

(C) a congressionally chartered veterans' service organization that represents veterans who have fought in foreign wars;

(D) a congressionally chartered veterans' service organization that represents veterans with service-connected disabilities;

(E) a congressionally chartered veterans' service organization that represents veterans of the Vietnam era; and

(F) a congressionally chartered veterans' service organization that represents veterans of World War II, the Korean conflict, the Vietnam era, and the Persian Gulf War.

(5) DEFINITIONS.—For purposes of this subsection—

(A) the term ''judicial officer'' means a justice, judge, or magistrate judge listed in subparagraph (A), (B), (F), or (G) of section 376(a)(1) of title 28, United States Code; and

(B) the term ''justice or judge of the United States'' has the meaning given such term by section 451 of such title 28.

(6) SUBMISSION TO CONGRESS; EFFECTIVE DATE.—

(A) SUBMISSION TO CONGRESS.—Within 5 months after the date of the enactment of this Act, the Judicial Conference of the United States shall submit a copy of the regulations prescribed under this subsection to the Committee on Government Reform and Oversight and the Committee on the Judiciary of the House of Representatives and the Committee on Governmental Affairs and the Committee on the Judiciary of the Senate.

(B) EFFECTIVE DATE.—The regulations prescribed under this subsection shall take effect 6 months after the date of the enactment of this Act.

SEC. 6. VETERANS' PREFERENCE REQUIRED FOR REDUCTIONS IN FORCE IN THE FEDERAL AVIATION ADMINISTRATION.

Section 347(b) of the Department of Transportation and Related Agencies Appropriations Act, 1996 (109 Stat. 460) is amended by striking ''and'' at the end of paragraph (6), by striking the period at the end of paragraph (7) and inserting ''; and'', and by adding at the end the following:

''(8) sections 3501–3504, as such sections relate to veterans' preference.''.

SEC. 7. DEFINITIONAL AMENDMENT.

Subparagraph (A) of section 2108(1) of title 5, United States Code, is amended by inserting ''during a military operation in a qualified hazardous duty area (within the meaning of the first 2 sentences of section 1(b) of Public Law 104–117) and in accordance with requirements that may be prescribed in regulations of the Secretary of Defense,'' after ''for which a campaign badge has been authorized,''.

SEC. 8. FAILURE TO COMPLY WITH VETERANS' PREFERENCE REQUIREMENTS TO BE TREATED AS A PROHIBITED PERSONNEL PRACTICE FOR CERTAIN PURPOSES.

(a) IN GENERAL.—Subsection (b) of section 2302 of title 5, United States Code, is amended—

(1) by striking ''or'' at the end of paragraph (10);

(2) by redesignating paragraph (11) as paragraph (12); and

(3) by inserting after paragraph (10) the following:

''(11)(A) knowingly take, recommend, or approve any personnel action if the taking of such action would violate a veterans' preference requirement; or

''(B) knowingly fail to take, recommend, or approve any personnel action if the failure to take such action would violate a veterans' preference requirement; or''.

(b) DEFINITION; LIMITATION.—Section 2302 of title 5, United States Code, is amended by adding at the end the following:

''(e)(1) For the purpose of this section, the term 'veterans' preference requirement' means any of the following provisions of law:

''(A) Sections 2108, 3305(b), 3309, 3310, 3311, 3312, 3313, 3314, 3315, 3316, 3317(b), 3318, 3320, 3351, 3352, 3363, 3501, 3502(b), 3504, and 4303(e) and (with respect to a preference eligible referred to in section 7511(a)(1)(B)) subchapter II of chapter 75 and section 7701.

''(B) Sections 943(c)(2) and 1784(c) of title 10.

''(C) Section 1308(b) of the Alaska National Interest Lands Conservation Act.

''(D) Section 301(c) of the Foreign Service Act of 1980.

''(E) Sections 106(f), 7281(e), and 7802(5) of title 38.

''(F) Section 1005(a) of title 39.

''(G) Any other provision of law that the Director of the Office of Personnel Management designates in regulations as being a veterans' preference requirement for the purposes of this subsection.

''(H) Any regulation prescribed under subsection (b) or (c) of section 1302 and any other regulation that implements a provision of law referred to in any of the preceding subparagraphs.

''(2) Notwithstanding any other provision of this title, no authority to order corrective action shall be available in connection with a prohibited personnel practice described in subsection (b)(11). Nothing in this paragraph shall be considered to affect any authority under section 1215 (relating to disciplinary action).''.

(c) REPEALS.—

(1) PROVISIONS OF TITLE 10, UNITED STATES CODE.—Section 1599c of title 10, United States Code, and the item relating to such section in the table of sections at the beginning of chapter 81 of such title are repealed.

(2) SECTION 2302(a)(1) OF TITLE 5, UNITED STATES CODE.—Subsection (a)(1) of section 2302 of title 5, United States Code, is amended to read as follows:

''(a)(1) For the purpose of this title, 'prohibited personnel practice' means any action described in subsection (b).''.

(d) SAVINGS PROVISION.—This section shall be treated as if it had never been enacted for purposes of any personnel action (within the meaning of section 2302 of title 5, United States Code) preceding the date of the enactment of this Act.

Mr. CLELAND. Mr. President, I want to compliment the distinguished Senator from Nebraska on his tremendous work and the work of his staff in putting together this legislation. He and his team have worked closely with me and my staff. This legislation is a result of their efforts.

It is my pleasure to join my distinguished colleague, Senator HAGEL, in cosponsorship of this important bill to improve our veterans preference system. As the former head of the Veterans Administration myself, I certainly see the need for it.

During World War II, America decided to pay special recognition to the men and women who have defended our freedom by serving in the armed forces. The Veterans Preference Act has been the law of the land since 1944. The premise of this law is simple. When veterans return to civilian life after serving in combat, they are given a preference if all other factors are equal when they seek to work for the Federal Government. I do not think anyone could argue with offering such a preference to the men and women of who risked their lives in service to this Nation.

That simple premise still holds true today. While we live in a time of relative peace, the sacrifices made by our men and women in uniform who serve in or near combat are just as great. We must remain steadfast in our commitment to our veterans.

Unfortunately, after over 50 years of operation, the preference is not working as intended. Today, many veterans do not receive the hiring preference guaranteed to them. It brings to my mind a quote from one of Wellington's troops:

In time of war and not before, God and the soldier men adore. But in time of peace with all things righted, God is forgotten and the soldier slighted.

We are slighting our soldiers by not honoring a commitment made to them in recognition of their sacrifice. There is compelling anecdotal evidence that leads us to believe that the current law is not working. Furthermore, the General Accounting Office has concluded through its review of the veterans preference program that in many instances, veterans are less likely than other applicants to be hired for Federal jobs.

We believe this is wrong. We need to put more teeth in our veterans preference law.

Our bill has seven simple parts to it.

First, it will create an effective redress system for men and women whose veterans preference rights are violated.

Second, it will remove artificial barriers that bar qualified veterans from competing for Federal jobs.

Third, it will prohibit unfair personnel practices which rig the system against job protection rights of veterans.

Fourth, it will provide enhanced opportunity for veterans to find other Federal jobs during reductions in force.

Fifth, it will extend the veterans preference to nonpolitical jobs in the legislative and judicial branches and the White House.

Sixth, our bill will make a violation of veterans preference laws a prohibited personnel practice, providing enhanced for disciplinary measure for those who wilfully violate the law.

Finally, the measure extends the preference to those men and women now serving in Bosnia.

Our bill is supported by all of the major veterans service organizations including The American Legion, AMVETS, the Veterans of Foreign Wars, the Retired Enlisted Association, the Air Force Sergeants Association, the Blinded American Veterans Foundation, the Blinded Veterans Association, the Disabled Veterans, the Fleet Reserve Association, the Jewish War Veterans of the USA, the Korean War Veterans Association, the Military Order of the Purple Heart, the National Association for Uniformed Services, the National Military and Veterans Alliance, the Naval Reserve Association, the Noncommissioned Officers Association, the Paralyzed Veterans of America, and the Vietnam Veterans of America.

As a Vietnam Veteran, I look forward to working with my fellow Vietnam Veteran, Senator HAGEL, on passing this critical legislation to strengthen the veterans preference program. I urge the support of my colleagues and this bill's swift passage.

I yield the floor.

By Mr. GRASSLEY (for himself, Mr. DURBIN, and Mr. DASCHLE)

S. 1024. A bill to make chapter 12 of title 11 of the United States Code permanent, and for other purposes; to the Committee on the Judiciary.

THE FAMILY FARMER PROTECTION ACT OF 1997

Mr. GRASSLEY. Mr. President, I rise today to introduce the Working Family Farmer Protection Act of 1997. As the only family farmer in the Senate, I feel I have a unique responsibility to make sure that family farming remains a strong and vibrant part of American life. For generations, family farms have fed this country. But the global marketplace presents some new and unique challenges to the family farmer. That's why I'm introducing the Family Farmer Protection Act today, on behalf of myself and Senator DURBIN.

This bill makes chapter 12 of the Bankruptcy Code permanent. Currently, chapter 12 is due to expire in 1998, and I think it would be a terrible error if this Congress did not act now to reauthorize chapter 12 on a permanent basis.

In order to understand why we need to make chapter 12 permanent, I think we have to go back a decade or so to the 1980's farm crisis. During the mid-1980's, the agricultural economy in the Midwest took a sharp downturn. And many family farmers were forced into bankruptcy. At that time, the only choice a family farmer had was to go into chapter 11 of the Bankruptcy Code. Under chapter 11, the creditors form a committee and help to draw up a reorganization plan. Most family farms only had one major creditor—the bank with the mortgage on the farm. And that one creditor was able to keep farmers from reorganizing in an effective way. As a result, the family farmers who filed chapter 11 were frequently forced out of farming. In short, the family farm was on a fast track to extinction, and family farmers were fast becoming an endangered species.

That's why in 1986 I drafted an entirely new chapter of the Bankruptcy Code to preserve the family farm. That chapter is chapter 12. Chapter 12 simply limits the power of the bank to exercise a veto over a farmer's reorganization plan.

I think it's very important to realize that chapter 12 is not a handout or a get-out-of-debt-free card. Farmers are hard-working people who want the chance to earn their way. In fact, chapter 12 is modeled on chapter 13, where individuals set up plans to repay a portion of their debts.

Chapter 12 has been wildly successful. So many times in Washington we develop programs and laws with the best of intentions. But when these programs get to the real world, they don't work well. Chapter 12, on the other hand, has worked exactly as intended. According to a recent University of Iowa study, 74 percent of family farmers who filed

chapter 12 bankruptcy are still farming and 61 percent of farmers who went through chapter 12 believe that chapter 12 was helpful in getting farmers back on their feet.

In conclusion, chapter 12 works and it works well. Let's make sure that we keep this safety net for family farmers in place. I urge my colleagues to think of this bill as a low-cost insurance policy for an important part of America's economy and America's heritage.

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

S. 1025. A bill to provide for a study of the south Florida high-intensity drug trafficking area, and for other purposes; to the Committee on the Judiciary.

EXPANSION OF SOUTH FLORIDA HIDTA TO INCLUDE I–4 CORRIDOR LEGISLATION

Mr. GRAHAM. Mr. President, today I am introducing a bill, cosponsored by Mr. MACK and Mr. GRASSLEY, which will expand the existing south Florida high-intensity drug trafficking area [HIDTA], to include the Interstate 4 corridor which runs between Daytona Beach and the Tampa Bay area in my home State of Florida.

Illegal drug activities continue to plague the State of Florida. In 1994, more than $5 billion in funds from cocaine traffic were laundered through south Florida and the I–4 corridor. Over 23 metric tons of cocaine were seized during that same time period. Over 250 organized drug trafficking groups have been identified as operating between south Florida and the I–4 corridor. These statistic are staggering. While some progress is being made to limit the spread of illegal drugs, there is still a lot of work to be done. I continuously hear from the law enforcement personnel operating along the I–4 corridor that they are being overwhelmed by the growth in drug trafficking activities in that area. Drug traffickers are becoming increasingly proficient in distributing drugs. They are using high technology equipment to evade detection. They have an extensive communications network, and almost unlimited funds with which to pursue their illegal activities. Current law enforcement assets are simply no match for the highly organized drug operators. Seized assets from drug traffickers in this area during 1996 included over $425 million in currency and property. The basic problem is how do we compete with these highly funded and well equipped drug trafficking organizations?

I repeatedly hear the same story from the Drug Enforcement Administration, the Customs Service, the FBI, and the Florida Department of Law Enforcement; they need help. This is a problem which impacts not only the State of Florida, but it also impacts the entire Nation as illegal drugs are distributed from the I–4 corridor to other parts of the country.

The statistics on the growth of the drug industry along the I–4 corridor are sobering. Nationwide, cheap, high purity heroin is making a comeback in popularity, and demand is on the rise. The drug syndicates are meeting the growing demands. Cocaine continues as a popular recreational drug. As long as there is a demand, drug dealers continue to find ways to meet that demand. Despite a massive education and public awareness campaign to warn teenagers about the dangers of drug use, teen drug arrests have more than doubled in the past 5 years. Some of those arrested are as young as 12 years old. In the Orlando area, over 1,500 teens between the ages of 12 and 17 years old were arrested for using or selling illegal drugs in 1995. The city of Orlando, through which the I–4 corridor runs, ranked fifth in the Nation for cocaine-related deaths per capita in 1995. Other crimes such as shootings, carjackings, robbery, and gang activities are byproducts of the drug problem, and are also on the rise in our local communities. We are truly battling for the lives of our young people.

There is a general feeling of despair among the various agencies trying to combat this problem. We need to be proactive in helping them. Because of its central location, the I–4 corridor is emerging as a hub used increasingly by international drug syndicates to distribute their goods throughout the Nation. This is a problem which affects us all. The use of illegal drugs and drug related deaths are increasing at an alarming rate.

As we saw with the establishment of a HIDTA in south Florida, a coordinated Federal, State, and local effort is the key to bringing this problem under control. This HIDTA has proven itself as a model of efficiency and effectiveness in controlling the expansion of drug activities in the area. The existing south Florida HIDTA is a model of the results which can occur when the various law enforcement agencies mount a coordinated battle with a unified strategy of engagement. We have seen moderation in the drug related incidents since the south Florida HIDTA was established in 1990. In fact, the success of the south Florida HIDTA is partially responsible for the increase in illegal drug activity along the I–4 corridor.

Expanding this successful HIDTA to include the I–4 corridor makes common sense. It will allow us to devote additional resources to combat a problem which has nationwide implications. By implementing a coordinated enforcement strategy directed at combating the problems of illegal drugs and violent crime, we demonstrate to the drug community that we are dedicated to facing this battle head on—and finally, it will show that we are committed protecting the future of our young people.

ADDITIONAL COSPONSORS

S. 22

At the request of Mr. MOYNIHAN, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 22, a bill to establish a bipartisan national commission to address the year 2000 computer problem.

S. 25

At the request of Mr. MCCAIN, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 25, a bill to reform the financing of Federal elections.

S. 852

At the request of Mr. LOTT, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 852, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

S. 885

At the request of Mr. D'AMATO, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 885, a bill to amend the Electronic Fund Transfer Act to limit fees charged by financial institutions for the use of automatic teller machines, and for other purposes.

S. 951

At the request of Mr. TORRICELLI, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 951, a bill to reestablish the Office of Noise Abatement and Control in the Environmental Protection Agency.

S. 977

At the request of Mr. TORRICELLI, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 977, a bill to amend the Forest and Rangeland Renewable Resources Planning Act of 1974 and related laws to strengthen the protection of native biodiversity and ban clearcutting on Federal lands, and to designate certain Federal lands as Ancient Forests, Roadless Areas, Watershed Protection Areas, Special Areas, and Federal Boundary Areas where logging and other intrusive activities are prohibited.

S. 1013

At the request of Mr. FRIST, the name of the Senator from Tennessee [Mr. THOMPSON] was added as a cosponsor of S. 1013, a bill to provide for the guarantee of the payment of interest on loans to certain air carriers for the purchase of regional jet aircraft to improve air transportation to underserved markets, and for other purposes.

At the request of Mr. FRIST, the name of the Senator from Montana [Mr. BURNS] was withdrawn as a cosponsor of S. 1013, supra.

SENATE CONCURRENT RESOLUTION 30

At the request of Mr. HELMS, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of Senate Concurrent Resolution 30, a concurrent resolution expressing the sense of the Congress that the Republic of China should be admitted to multilateral economic institutions, including the International Monetary Fund and the International Bank for Reconstruction and Development.

SENATE CONCURRENT RESOLUTION 38

At the request of Mr. ROTH, the names of the Senator from Mississippi [Mr. COCHRAN], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Concurrent Resolution 38, a concurrent resolution to state the sense of the Congress regarding the obligations of the People's Republic of China under the Joint Declaration and the Basic Law to ensure that Hong Kong remains autonomous, the human rights of the people of Hong Kong remain protected, and the government of the Hong Kong SAR is elected democratically.

SENATE RESOLUTION 108—EXPRESSING THE SENSE OF THE SENATE

Mr. GORTON (for himself and Mrs. FEINSTEIN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 108

Whereas, The Boeing Company and McDonnell Douglas have announced their merger; and

Whereas, The Department of Defense has approved that merger as consistent with the national security of the United States; and

Whereas, The Federal Trade Commission has found that merger not to violate the anti-trust laws of the United States; and

Whereas, The European Commission has consistently criticized and threatened the merger before, during and after its consideration of the facts; and

Whereas, The sole true reason for the European Commission's criticism and imminent disapproval of the merger is to gain an unfair competitive advantage for Airbus, a government owned aircraft manufacturer;

Now therefore, It is the Sense of the Senate that any such disapproval on the part of the European Commission would constitute an unwarranted and unprecedented interference in a United States business transaction that would threaten thousands of American aerospace jobs; and

The Senate suggests that the President take such actions as he deems appropriate to protect U.S. interests in connection therewith.

AMENDMENTS SUBMITTED

THE FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1998

McCONNELL (AND LEAHY) AMENDMENT NO. 876

Mr. MCCONNELL (for himself and Mr. LEAHY) proposed an amendment to the bill (S. 955) making appropriations for foreign operations, export financing, related programs for the fiscal year ending September 30, 1998, and for other purposes; as follows:

On page 27, line 15 insert the following new sections:

(Q) None of the funds appropriated under this heading or in prior appropriations legislation may be made available to establish a joint public-private entity or organization engaged in the management of activities or projects supported by the Defense Enterprise Fund.

(R) 60 days after the date of enactment of this Act, the Administrator of AID shall report to the Committees on Appropriations on the rate of obligation and risk and anticipated returns associated with commitments made by the U.S. Russia Investment Fund. The report shall include a recommendation on the continued relevance and advisability of the initial planned life of project commitment.

LEAHY (AND McCONNELL) AMENDMENTS NOS. 877–879

Mr. MCCONNELL (for Mr. LEAHY, for himself and Mr. MCCONNELL) proposed three amendments to the bill, S. 955, supra; as follows:

AMENDMENT NO. 877

At the appropriate place in the bill, insert the following:

DEVELOPMENT CREDIT AUTHORITY

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans and loan guarantees in support of the development objectives of the Foreign Assistance Act of 1961 (FAA), up to $10,000,000, which amount may be derived by transfer from funds appropriated by this Act to carry out part I of the Foreign Assistance Act of 1961 and funds appropriated by this Act under the heading ''Assistance for Eastern Europe and the Baltic States'', to remain available until expended: *Provided,* That of this amount, up to $1,500,000 for administrative expenses to carry out such programs may be transferred to and merged with ''Operating Expenses of the Agency for International Development'': *Provided further,* That the provisions of section 107A(d) (relating to general provisions applicable to development credit authority) of the Foreign Assistance Act of 1961, as added by section 306 of H.R. 1486 as reported by the House Committee on International Relations on May 9, 1997, shall be applicable to direct loans and loan guarantees provided under this paragraph: *Provided further,* That direct loans or loan guarantees under this paragraph may not be provided until the Director of the Office of Management and Budget has certified to the Committees on Appropriations that the Agency for International Development has established a credit management system capable of effectively managing the credit programs funded under this heading, including that such system: (1) can provide accurate and timely provision of loan and loan guarantee data, (2) contains information control systems for loan and loan guarantee data, (3) is adequately staffed, and (4) contains appropriate review and monitoring procedures.

AMENDMENT NO. 878

On page 20, line 14, after the word ''paragraph'' insert the following: ''*Provided further,* That up to $22,000,000 made available under this heading may be transferred to the Export Import Bank of the United States, and up to $8,000,000 of the funds made available under this heading may be transferred to the Micro and Small Enterprise Development Program, to be used for the cost of direct loans and loan guarantees for the furtherance of programs under this heading: *Provided further,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974''.

AMENDMENT NO. 879

On page 97, line 5, strike the words ''between the United States and the Government of Indonesia''.

On page 97, line 6, insert a comma after the word ''sale'' and strike the word ''or''.

On page 97, line 7, after the word ''transfer'' insert '', or licensing''.

On page 97, line 7, after the word ''helicopter'' insert ''for Indonesia entered into by the United States''.

McCONNELL (AND LEAHY) AMENDMENTS NOS. 880–882

Mr. MCCONNELL (for himself and Mr. LEAHY) proposed three amendments to the bill, S. 955, supra; as follows:

AMENDMENT NO. 880

On page 102, line 9, after the word ''1998.'', insert the following:

EXCESS DEFENSE ARTICLES FOR CERTAIN EUROPEAN COUNTRIES

SEC. 575. Section 105 of Public Law 104–164 (110 Stat. 1427) is amended by striking ''1996'' and 1997'' and inserting ''1998 and 1999''.

SEC. 576. ADDITIONAL REQUIREMENTS RELATING TO STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES.

(a) VALUE OF ADDITIONS TO STOCKPILES.—Section 514(b)(2)(A) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h(b)(2)(A)) is amended by inserting before the period at the end the following: ''and $60,000,000 for fiscal year 1998''.

(b) REQUIREMENTS RELATING TO THE REPUBLIC OF KOREA AND THAILAND.—Section 514(b)(2)(B) of such Act (22 U.S.C. 2321h(b)(2)(B)) is amended by adding at the end the following: ''Of the amount specified in subparagraph (A) for fiscal year 1998, not more than $40,000,000 may be made available for stockpiles in the Republic of Korea and not more than $20,000,000 may be made available for stockpiles in Thailand.''.

SEC. 577. DELIVERY OF DRAWDOWN BY COMMERCIAL TRANSPORTATION SERVICES.

Section 506 of the Foreign Assistance Act of 1961 (22 U.S.C. 2318) is amended—

(1) in subsection (b)(2), by striking the period and inserting the following: '', including providing the Congress with a report detailing all defense articles, defense services, and military education and training delivered to the recipient country or international organization upon delivery of such articles or upon completion of such services or education and training. Such report shall also include whether any savings were realized by utilizing commercial transport services rather than acquiring those services from United States Government transport assets.'';

(2) by redesignating subsection (c) as subsection (d); and

(3) by inserting after subsection (b) the following:

''(c) For the purpose of any provision of law that authorizes the drawdown of defense or other articles or commodities, or defense or other services from an agency of the United States Government, such drawdown may include the supply of commercial transportation and related services that are acquired by contract for the purposes of the drawdown in question if the cost to acquire such commercial transportation and related services is less than the cost to the United States Government of providing such services from existing agency assets.''.

AMENDMENT NO. 881

On page 34, line 21, after the word ''Act'' insert the following: '': *Provided further,* That funds made available under this paragraph shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a).''

AMENDMENT NO. 882

On page 24, line 9 insert after the word ''resolution'' the following: ''*Provided further,*