this past week which betray official indifference to those disappearances.

I urge President Lukashenko to use all available means at his disposal to locate the four missing—and to ensure the safety and security of all living in Belarus, regardless of their political views. What is happening in Belarus now is an outrage. The world is watching what President Lukashenko does to address it.

Mr. President, I want the Government of Belarus to know that their blatant violation of the human rights of citizens is unacceptable. The report several days ago of four prominent men and women who have had the courage to stand up against this very repressive Government of Belarus raises very serious questions. As a Senator, I want to speak from the floor and condemn that Government's repressive actions. I want to make it clear to the Government of Belarus that these actions, the repression and violation of citizens' rights in Belarus, is unacceptable, I think, to every single Senator.

I think many of us in the human rights community are very worried about whether or not they are still alive. I would not want the Government of Belarus to think they can engage in this kind of repressive activity with impunity. That is why I speak about this on the floor of the Senate.

## ECONOMIC CONVULSION IN AGRICULTURE

Mr. WELLSTONE. Mr. President, let me, one more time, return to a question I have put to the majority leader, and then I say to my colleague from Arizona I will complete my remarks.

In the last 3 weeks now, I have asked for the opportunity to introduce legislation—amendments—which would speak directly to what can only be described as an economic convulsion in agriculture, the unbelievable economic pain in the countryside, and the number of farmers who are literally being obliterated and driven off the land.

Up to date, I have not been able to get any kind of clear commitment from the majority leader as to when we will have the opportunity for all of us in the Senate to have a substantive debate about this and take action. For those of us in agricultural States, this is very important. I want to signal to colleagues that I will look for an opportunity, and the first opportunity I get, I will try to do everything I can to focus our attention on what can only be described as a depression in agriculture. I will try to focus the attention of people in the Senate, Democrats and Republicans alike, on the transition that is now taking place in agriculture, which I think, if it runs its full course, we will deeply regret as a Nation.

Mr. President, I yield the floor.

## AIR TRANSPORTATION IMPROVEMENT ACT—Continued

Mr. MCCAIN. Mr. President, for the benefit of my colleagues, we are nearing the end as far as amendments are concerned. We will be ready within about 20 minutes to a half hour to complete an amendment by Senator DORGAN. We are in the process of working on it. We have several amendments by Senator HATCH that we are trying to get so we can work those out. We have no report yet from Senator HUTCHISON on whether or not she wants an amendment. So if Senator HUTCHISON, or her staff, is watching, we would like to get that resolved. There is a modification of an amendment by Senator BAUCUS.

Other than that, we will be prepared to move to the previous unanimous consent agreement concerning debate on the Robb amendment and vote on that, followed by final passage. I believe we are nearing that point. So as we work out the final agreements on these amendments, I hope that within 10 or 15 minutes we will be able to complete action on that and be prepared to move to the Robb amendment debate and then final passage.

Mr. President, in the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT NO. 1898, AS MODIFIED

Mr. MCCAIN. Mr. President, on behalf of Senator BAUCUS, I send a modification to the desk and ask that it be accepted.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The modification will be accepted.

The amendment (No. 1898), as modified, is as follows:

At the appropriate place, insert the following:

( ) AIRLINE QUALITY SERVICE REPORTS.—The Secretary of Transportation shall modify the Airline Service Quality Performance reports required under part 234 of title 14, Code of Federal Regulations, to more fully disclose to the public the nature and source of delays and cancellations experienced by air travelers. Such modifications shall include a requirement that air carriers report delays and cancellations in categories which reflect the reasons for such delays and cancellations. Such categories and reporting shall be determined by the Administrator in consultation with representatives of airline passengers, air carriers, and airport operators, and shall include delays and cancellations caused by air traffic control.

AMENDMENT NO. 1927

(Purpose: To amend title 18, United States Code, with respect to the prevention of frauds involving aircraft or space vehicle parts in interstate or foreign commerce.)

Mr. MCCAIN. Mr. President, on behalf of Senator HATCH and others, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for Mr. HATCH, Mr. LEAHY, and Mr. THURMOND, proposes an amendment numbered 1927.

Mr. MCCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. HATCH. Mr. President, today I am proud to offer the Aircraft Safety Act of 1999 as an amendment to S. 82, the Air Transportation Improvement Act. I join with Senator LEAHY and Senator THURMOND in proposing this amendment, which will provide law enforcement with a potent weapon in the fight to protect the safety of the traveling public. This is one piece of legislation which could truly help save hundreds of lives.

Current federal law does not specifically address the growing problem of the use of unapproved, uncertified, fraudulent, defective or otherwise unsafe aviation parts in civil, military and public aircraft. Those who traffic in this potentially lethal trade have thus far been prosecuted under a patchwork of Federal criminal statutes which are not adequate to deter the conduct involved. Most subjects prosecuted to date have received little of no jail time, and relatively minor fines have been assessed. Moreover, law enforcement has not had the tools to prevent these individuals from reentering the trade or to seize and destroy stockpiles of unsafe parts.

While the U.S. airline industry can take pride in the safety record they have achieved thus far, trade in fraudulent and defective aviation parts is a growing problem which could jeopardize that record. These suspect parts are not only readily available throughout the country, they are being installed on aircraft as we speak. This problem will continue to grow as our fleet of commercial and military aircraft continues to age. Safe replacement parts are vital to the safety of this fleet. When you consider that one Boeing 747 has about 6 million parts, you begin to understand the potential for harm caused by the distribution of fraudulent and defective parts.

Where do these parts come from? Some are used or scrap parts which should be destroyed, or have not been properly repaired. Others are simply counterfeit parts using substandard materials unable to withstand the rigors imposed through daily use on a modern aircraft. Some are actually scavenged from among the wreckage and broken bodies strewn about after an airplane crash. For example, when American Airlines Flight 965 crashed into a mountain in Columbia in 1995, it wasn't long before some of the parts from that aircraft wound up back in

the United States and resold as new by an unscrupulous Miami dealer who had obtained them through the black market.

While the danger to passengers and civilians on the ground is substantial, this danger also jeopardizes the courageous men and women of our armed forces. The Army is increasingly buying commercial off-the-shelf aircraft and parts for their growing small jet and piston-engine passenger and cargo fleets. The Department of Defense will buy 196 such aircraft by 2005 and virtually every major commercial passenger aircraft is in the Air Force fleet, although the military designation is different. In addition, there are dozens of specially configured commercial aircraft that have frame modifications to serve special missions, such as reconnaissance and special operations forces. The safety of all of these vehicles is dependent on the quality of the parts used to repair them and keep them flying.

The amendment we have proposed will criminalize: (1.) The knowing falsification or concealment of a material fact relating to the aviation quality of a part; (2.) The knowing making of a fraudulent misrepresentation concerning the aviation quality of a part; (3.) the export, import, sale, trade or installation of any part where such transaction was accomplished by means of a fraudulent certification or other representation concerning the aviation quality of a part; (4.) An attempt or conspiracy to do the same.

The penalty for a violation will be up to 15 years in prison and a fine of up to $250,000, however, if that part is actually installed, the violator will face up to 25 years and a fine of $500,000. And if the part fails to operate as represented and serious bodily injury or death results, the violator can face up to life in prison and a $1,000,000 fine. Organizations committing a violation will be subject to fines of up to $25,000,000.

In addition to the enhanced criminal penalties created, the Department of Justice may also seek reasonable restraining orders pending the disposition of actions brought under the section, and may also seek to remove convicted persons from engaging in the business in the future and force the destruction of suspect parts. Criminal forfeiture of proceeds and facilitating property may also be sought. The Attorney General is also given the authority to issue subpoenas for the purpose of facilitating investigations into the trafficking of suspect parts, and wiretaps may be obtained where appropriate.

This amendment is supported by Attorney General Reno, Secretary Slater, Secretary Cohen and NASA Administrator Goldin, and OMB has indicated that this amendment is in accord with the President's program. I ask my fellow Senators to join with Senators LEAHY, THURMOND and me in supporting this important piece of legislation.

I ask unanimous consent that relevant material, including a copy of the amendment be printed in the RECORD.

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

OFFICE OF THE ATTORNEY GENERAL,
*Washington, DC.*

HON. ORRIN G. HATCH,
*Chairman, Committee on the Judiciary, U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: Enclosed is proposed legislation, ''The Aircraft Safety Act of 1999.'' This is part of the legislative program of the Department of Justice for the first session of the 106th Congress. This legislation would safeguard United States aircraft, space vehicles, passengers, and crewmembers from the dangers posed by the installation of nonconforming, defective, or counterfeit parts in civil, public, and military aircraft. During the 105th Congress, similar legislation earned strong bi-partisan support, as well as the endorsement of the aviation industry.

The problems associated with fraudulent aircraft and spacecraft parts have been explored and discussed for several years. Unfortunately, the problems have increased while the discussions have continued. Since 1993, federal law enforcement agencies have secured approximately 500 criminal indictments for the manufacture, distribution, or installation of nonconforming parts. During that same period, the Federal Aviation Administration (FAA) received 1,778 reports of suspected unapproved parts, initiated 298 enforcement actions, and issued 143 safety notices regarding suspect parts.

To help combat this problem, an interagency Law Enforcement/FAA working group was established in 1997. Members include the Federal Bureau of Investigation (FBI); the Office of the Inspector General, Department of Transportation; the Defense Criminal Investigative Service; the Office of Special Investigations, Department of the Air Force; the Naval Criminal Investigative Service, Department of the Navy; the Customs Service, Department of the Treasury; the National Aeronautics and Space Administration; and the FAA. The working group quickly identified the need for federal legislation that targeted the problem of suspect aircraft and spacecraft parts in a systemic, organized manner. The enclosed bill is the product of the working group's efforts.

Not only does the bill prescribe tough new penalties for trafficking in suspect parts; it also authorizes the Attorney General, in appropriate cases, to seek civil remedies to stop offenders from re-entering the business and to direct the destruction of stockpiles and inventories of suspect parts so that they do not find their way into legitimate commerce. Other features of the bill are described in the enclosed section-by-section analysis.

If enacted, this bill would give law enforcement a potent weapon in the fight to protect the safety of the traveling public. Consequently, we urge that you give the bill favorable consideration.

We would be pleased to answer any questions that you may have and greatly appreciate your continued support for strong law enforcement. The Office of Management and Budget has advised us that, from the perspective of the Administration's program, there is no objection to the submission of this legislative proposal, and that its enactment would be in accord with the program of the President.

Sincerely,

JANET RENO,
*Attorney General.*
RODNEY E. SLATER,
*Secretary of Transportation.*
WILLIAM S. COHEN,
*Secretary of Defense.*
DANIEL S. GOLDIN,
*Administrator, National Aeronautics and Space Administration.*

Enclosures.

PROPOSED LEGISLATION

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

**SECTION 1.**

This Act may be cited as the ''Aircraft Safety Act of 1999.''

**SEC. 2. PREVENTION OF FRAUDS INVOLVING AIRCRAFT OR SPACEVEHICLE PARTS IN INTERSTATE OR FOREIGN COMMERCE.**

(a) Chapter 2 of title 18, United States Code, is amended—

(1) by adding at the end of section 31 the following:

'''Aviation quality' means, with respect to aircraft or spacevehicle parts, that the item has been manufactured, constructed, produced, repaired, overhauled, rebuilt, reconditioned, or restored in conformity with applicable standards specified by law, regulation, or contract.

'''Aircraft' means any civil, military, or public contrivance invented, used, or designed to navigate, fly, or travel in the air.

'''Part' means frame, assembly, component, appliance, engine, propeller, material, part, spare part, piece, section, or related integral or auxiliary equipment.

'''Spacevehicle' means a man-made device, either manned or unmanned, designed for operation beyond the earth's atmosphere.

'''State' means a State of the United States, the District of Columbia, and any commonwealth, territory, or possession of the United States.''.

(b) Chapter 2 of title 18, United States Code, is amended by adding at the end the following—

**''§38. Fraud involving aircraft or spacevehicle parts in interstate or foreign commerce**

''(a) OFFENSES.—Whoever, in or affecting interstate or foreign commerce, knowingly—

''(1) falsifies or conceals a material fact; makes any materially fraudulent representation; or makes or uses any materially false writing, entry, certification, document, record, data plate, label or electronic communication, concerning any aircraft or spacevehicle part;

''(2) exports from or imports or introduces into the United States, sells, trades, installs on or in any aircraft or spacevehicle any aircraft or spacevehicle part using or by means of fraudulent representations, documents, records, certifications, depictions, data plates, labels or electronic communications; or

''(3) attempts or conspires to commit any offense described in paragraph (1) or (2), shall be punished as provided in subsection (b).

''(b) PENALTIES.—The punishment for an offense under subsection (a) is as follows:

''(1) If the offense relates to the aviation quality of the part and the part is installed in an aircraft or spacevehicle, a fine of not more than $500,000 or imprisonment for not more than 25 years, or both;

''(2) If, by reason of its failure to operate as represented, the part to which the offense is related is the probable cause of a malfunction or failure that results in serious bodily injury (as defined in section 1365) to or the death of any person, a fine of not more than $1,000,000 or imprisonment for any term of years or life, or both;

''(3) If the offense is committed by an organization, a fine of not more than $25,000,000; and

''(4) In any other case, a fine under this title or imprisonment for not more than 15 years, or both.

''(c) CIVIL REMEDIES.—(1) The district courts of the United States shall have jurisdiction to prevent and restrain violations of this section by issuing appropriate orders, including, but not limited to: ordering any person convicted of an offense under this section to divest himself of any interest, direct or indirect, in any enterprise, or to destroy, or to mutilate and sell as scrap, aircraft material or part inventories or stocks; imposing reasonable restrictions on the future activities or investments of any such person, including, but not limited to, prohibiting engagement in the same type of endeavor as used to perpetrate the offense, or ordering dissolution or reorganization of any enterprise, making due provisions for the rights and interests of innocent persons.

''(2) The Attorney General may institute proceedings under this subsection. Pending final determination thereof, the court may at any time enter such restraining orders or prohibitions, or take such other actions, including the acceptance of satisfactory performance bonds, as it shall deem proper.

''(3) A final judgment or decree rendered in favor of the United States in any criminal proceeding brought by the United States under this section shall estop the defendant from denying the essential allegations of the criminal offense in any subsequent civil proceeding brought by the United States.

''(d) CRIMINAL FORFEITURE.—(1) The court, in imposing sentence on any person convicted of an offense under this section, shall order, in addition to any other sentence and irrespective of any provision of State law, that the person shall forfeit to the United States—

''(A) any property constituting, or derived from, any proceeds such person obtained, directly or indirectly, as a result of such offense; and

''(B) any property used, or intended to be used, in any manner or part, to commit or facilitate the commission of such offense.

''(2) The forfeiture of property under this section, including any seizure and disposition thereof, and any proceedings relating thereto, shall be governed by the provisions of section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. §853), except for subsection (d) of that section.

''(e) CONSTRUCTION WITH OTHER LAWS.—This Act shall not be construed to preempt or displace any other remedies, civil or criminal, provided by Federal or State law for the fraudulent importation, sale, trade, installation, or introduction of aircraft or spacevehicle parts into commerce.

''(f) TERRITORIAL SCOPE.—This section applies to conduct occurring within the United States or conduct occurring outside the United States if—

''(1) The offender is a United States person; or

''(2) The offense involves parts intended for use in U.S. registry aircraft or spacevehicles; or

''(3) The offense involves either parts, or aircraft or spacevehicles in which such parts are intended to be used, which are of U.S. origin.

''(g) AUTHORIZED INVESTIGATIVE DEMAND PROCEDURES.—

''(1) AUTHORIZATION.—(A) In any investigation relating to any act or activity involving an offense under this section, the Attorney General may issue in writing and cause to be served a subpoena—

''(i) requiring the production of any records (including any books, papers, documents, electronic media, or other objects or tangible things), which may be relevant to an authorized law enforcement inquiry, that a person or legal entity may possess or have care, custody, or control; and

''(ii) requiring a custodian of records to give testimony concerning the production and authentication of such records.

''(B) A subpoena under this subsection shall describe the objects required to be produced and prescribe a return date within a reasonable period of time within which the objects can be assembled and made available.

''(C) The production of records shall not be required under this section at any place more than 500 miles distant from the place where the subpoena for the production of such records is served.

''(D) Witnesses summoned under this section shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

''(2) SERVICE.—A subpoena issued under this section may be served by any person who is at least 18 years of age and is designated in the subpoena to serve it. Service upon a natural person may be made by personal delivery of the subpoena to him. Service may be made upon a domestic or foreign corporation or upon a partnership or other unincorporated association which is subject to suit under a common name, by delivering the subpoena to an officer, to a managing or general agent, or to any other agent authorized by appointment or by law to receive service of process. The affidavit of the person serving the subpoena entered on a true copy thereof by the person serving it shall be proof of service.

''(3) ENFORCEMENT.—In the case of contumacy by or refusal to obey a subpoena issued to any person, the Attorney General may invoke the aid of any court of the United States within the jurisdiction of which the investigation is carried on or of which the subpoenaed person is an inhabitant, or in which he carries on business or may be found, to compel compliance with the subpoena. The court may issue an order requiring the subpoenaed person to appear before the Attorney General to produce records, if so ordered, or to give testimony concerning the production and authentication of such records. Any failure to obey the order of the court may be punished by the court as a contempt thereof. All process in any such case may be served in any judicial district in which such person may be found.

''(4) IMMUNITY FROM CIVIL LIABILITY.—Notwithstanding any Federal, State, or local law, any person, including officers, agents, and employees, receiving a summons under this section, who complies in good faith with the summons and thus produces the materials sought, shall not be liable in any court of any State or the United States to any customer or other person for such production or for nondisclosure of that production to the customer.''.

(c) CLERICAL AMENDMENT.—The table of sections for chapter 2 of title 18, United States Code, is amended by adding at the end the following:

''38. Fraud involving aircraft of space vehicle parts in interstate of foreign commerce.''.

**SEC. 3. CONFORMING AMENDMENT.**

Section 2516(1)(c) of title 18, United States Code, is amended by inserting ''section 38 (relating to aircraft parts fraud),'' after ''section 32 (relating to destruction of aircraft or aircraft facilities),''.

---

SECTION-BY-SECTION ANALYSIS

**SECTION 1.**

This section states the short title of the legislation, the ''Aircraft Safety Act of 1999.''

**SECTION 2. PREVENTION OF FRAUDS INVOLVING AIRCRAFT OR SPACEVEHICLE PARTS IN INTERSTATE OR FOREIGN COMMERCE.**

This section, whose primary purpose is to safeguard U.S. aircraft and spacecraft, and passengers and crewmembers from the dangers posed by installation of nonconforming, defective, or counterfeit frames, assemblies, components, appliances, engines, propellers, materials, parts or spare parts into or onto civil, public, and military aircraft. Thus, even though the section is cast as an amendment to the criminal law, it is a public safety measure.

The problems associated with nonconforming, defective, and counterfeit aircraft parts have been explored and discussed in a number of fora for several years. For example, in 1995, the Honorable Bill Cohen, then Chairman of the Senate Subcommittee on Oversight of Government Management and the District of Columbia (now Secretary of Defense), said: ''Airplane parts that are counterfeit, falsely documented or manufactured without quality controls are posing an increased risk to the flying public, and the federal government is not doing enough to ensure safety.'' Similarly, Senator Carl Levin, in a 1995 statement before the same Subcommittee, said: ''A domestic passenger airplane can contain as many as 6 million parts. Each year, about 26 million parts are used to maintain aircraft. Industry has estimated that as much as $2 billion in unapproved parts are now sitting on the shelves of parts distributors, airlines, and repair stations.''

Notwithstanding increased enforcement efforts, the magnitude of the problem is increasing: according to the June 10, 1996, edition of Business Week magazine, ''Numerous FAA inspectors . . . say the problem of substandard parts has grown dramatically in the past five years. That's partly because the nation's aging airline fleet needs more repairs and more parts to keep flying—increasing the opportunities for bad parts to sneak in. And cash-strapped startups outsource much of their maintenance, making it harder for them to keep tabs on the work.'' According to Senator Levin's 1995 statement, ''over the past five years, the Department of Transportation Inspector General and the Federal Bureau of Investigation have obtained 136 indictments, 98 convictions, about $50 million in criminal fines, restitutions and recoveries in cases involving unapproved aircraft parts. . . . The bad news is that additional investigations are underway with no sign of a flagging market in unapproved parts.''

Yet, no single Federal law targets the problem in a systemic, organized manner. Prosecutors currently use a variety of statutes to bring offenders to justice. These statutes include mail fraud, wire fraud, false statements and conspiracy, among others. While these prosecutorial tools work well enough in many situations, none of them focus directly on the dangers posed by nonconforming, defective, and counterfeit aircraft parts. Offenders benefit from this lack of focus, often in the form of light sentences. One incident reveals the inherent shortcomings of such an approach.

''In 1991, a mechanic at United [Airlines] noticed something odd about what were supposed to be six Pratt & Whitney bearing-seal spacers used in P&W's jet engines—engines installed on Boeing 727s and 737s and McDonnell-Douglas DC–9s world-wide. The spacers proved to be counterfeit, and P&W determined that they would have disintegrated within 600 hours of use, compared with a 20,000-hour service life of the real part. A spacer failure in flight could cause the total failure of an engine. Investigators traced the

counterfeits to a broker who allegedly used unsuspecting small toolmakers and printers to fake the parts, as well as phony Pratt & Whitney boxes and labels. The broker . . . pled guilty to trafficking in counterfeit goods and received a seven-month sentence in 1994.'' (June 10, 1996, Edition of Business Week Magazine.)

Given the potential threat to public safety, a focused, comprehensive law is needed to attack this problem.

Prevention of Frauds Involving Aircraft or Spacecraft Parts in Interstate or Foreign Commerce remedies the problems noted above by amending Chapter Two of Title 18, United States Code. Chapter Two deals with ''Aircraft and Motor Vehicles,'' and currently contains provisions dealing with the destruction of aircraft or aircraft facilities, and violence at international airports but says nothing about fraudulent trafficking in nonconforming, defective, or counterfeit aircraft parts.

Subsection (a) builds on the existing framework of Chapter Two by adding some relevant definitions to Section 31. The subsection defines ''aviation quality,'' when used with respect to aircraft or aircraft parts, to mean aircraft or parts that have been manufactured, constructed, produced, repaired, overhauled, rebuilt, reconditioned, or restored in conformity with applicable standards, specified by law, regulation, or contract. The term is used in Section 38(b) of the Act, which sets forth the maximum penalties for violation of the offenses prescribed by Section 38(a). If the misrepresentation or fraud that leads to a conviction under Section 38(a) concerns the ''aviation quality'' of an aircraft part, then Section 38(b)(2) enhances the maximum punishment by 10 years imprisonment and doubles the potential fine.

This subsection also defines ''aircraft.'' This definition essentially repeats the definition of aircraft already provided in Section 40102 of Title 49.

''Part'' is defined to mean virtually all aircraft components and equipment.

''Spacevehicle'' is defined to mean any man-made device, manned or unmanned, designed for operation beyond the earth's atmosphere and would include rockets, missiles, satellites, and the like.

Subsection (b) adds a totally new Section 38 to Chapter Two of Title 18. Subsection 38(a)(1)–(3) sets out three new offenses designed to outlaw the fraudulent exportation, importation, sale, trade, installation, or introduction of nonconforming, defective, or counterfeit aircraft or aircraft parts into interstate or foreign commerce. This is accomplished by making it a crime to falsify or conceal any material fact, to make any materially fraudulent representation, or to use any materially false documentation or electronic communication concerning any aircraft or spacecraft part, or to attempt to do so.

The three provisions, overlap to some extent but each focuses upon a different aspect of the problem to provide investigators and prosecutors with necessary flexibility. All are specific intent crimes; that is, all require the accused to act with knowledge, or reason to know, of his fraudulent activity.

Proposed subsection (b) prescribes the maximum penalties that attach to the offenses created in Subsection (a). A three-pronged approach is taken in order to both demonstrate the gravity of the offenses and provide prosecutors and judges alike with flexibility in punishing the conduct at issue. A basic 15-year imprisonment and $250,000 fine maximum punishment is set for all offenses created by the new section; however, the maximum punishment may be escalated if the prosecution can prove additional aggravating circumstances. If the fraud that is the subject of a conviction concerns the aviation quality of the part at issue and the part is actually installed in an aircraft or spacevehicle, then the maximum punishment increases to 25 years imprisonment and a $500,000 fine. If, however, the prosecution is able to show that the part at issue was the probable cause of a malfunction or failure leading to an emergency landing or mishap that results in the death or injury of any person, then the maximum punishment is increased to life imprisonment and a $1 million fine. Finally, if a person other than an individual is convicted, the maximum fine is increased to $25 million.

New subsection (c) authorizes the Attorney General to seek appropriate civil remedies, such as injunctions, to prevent and restrain violations of the Act. Part of the difficulty in stopping the flow of nonconforming, defective, and counterfeit parts into interstate or foreign commerce is the ease with which unscrupulous individuals and firms enter and re-enter the business; ''Moreover, even when they are caught and punished, these criminals can conceivably go back to selling aircraft parts when their sentences are up.'' (*See,* 1995 Statement of Senator Joe Lieberman before the Senate Subcommittee on Oversight of Government Management and the District of Columbia.) In addition to providing a way to maintain the status quo and to keep suspected defective or counterfeit parts out of the mainstream of commerce during an investigation, this provision adds important post-conviction enforcement tools to prosecutors. The ability to bring such actions may be especially telling in dealing with repeat offenders since a court may, in addition to imposing traditional criminal penalties, order individuals to divest themselves of interests in businesses used to perpetuate related offenses or to refrain from entering the same type of business endeavor in the future. Courts may also direct the disposal of stockpiles and inventories of parties not shown to be genuine or conforming to specifications to prevent their subsequent resale or entry into commerce. It is envisioned that the prosecution would seek such relief only when necessary to ensure aviation safety.

Proposed subsection (d) provides for criminal forfeiture proceedings in cases arising under new section 38 of Title 18.

Proposed subsection (e) discusses how the Act is to be construed with other laws relating to the subject of fraudulent importation, sale, trade, installation, or introduction of aircraft or aircraft parts. The section makes clear that other remedies, whether civil or criminal, are not preempted by the Act and may continue to be enforced. In particular, the Act is not intended to alter the jurisdiction of the U.S. Customs Service, which is generally responsible for enforcing the laws governing importation of goods into the United States.

Proposed subsection (f) deals with the territorial scope of the Act. To rebut the general presumption against the extraterritorial effect of U.S. criminal laws, this section provides that the Act will apply to conduct occurring both in the United States and beyond U.S. borders. Clearly the U.S. will apply the law to conduct occurring outside U.S. territory only when there is an important U.S. interest at stake. If, however, an offender affects the safety of U.S. aircraft, spacevehicles, or is a U.S. person, this section would provide for subject matter jurisdiction even if the offense is committed overseas.

Subsection (g) of new section 38 authorizes administrative subpoenas to be issued in furtherance of the investigation of offenses under this section. Under this provision, the Attorney General or designee may issue written subpoenas requiring the production of records relevant to an authorized law enforcement inquiry pertaining to offenses under the new section. Testimony concerning the production and authentication of such records may also be compelled. The subsection also sets forth guidance concerning the service and enforcement of such subpoenas and provides civil immunity to any person who, in good faith, complies with a subpoena issued pursuant to the Section.

The subsection is modeled closely on an analogous provision found in Section 3486(a)(1) of Title 18, pertaining to health care fraud investigations. Like the health care industry, the aviation industry—including the aviation-parts component of the industry—is highly regulated since the public has an abiding interest in the safe and efficient operation of all components of the industry. The public also has concomitant interest in access to the records and related information pertaining to the industry since, often, the only evidence of possible violations of law may be the records of this regulated industry. Thus, companies and individuals doing business in this industry are in the public limelight by choice and have reduced or diminished expectations of privacy in their affairs relating to how that business is conducted. In such situations, strict probable cause requirements regarding the production of records, documents, testimony, and related materials make enforcement impossible. This provision recognizes this but also imposes some procedural rigor and related safeguards so that the administrative subpoena power is not abused in this context. The provisions rquires the information sought to be relevant to the investigation, reasonably specific, and not unreasonably burdensome to meet.

**SECTION 3. CONFORMING AMENDMENT.**

This section would add the new offenses created by the Act to the list of predicate offenses for which oral, wire, and electronic communications may be authorized.

Mr. MCCAIN. Mr. President, the amendment has been agreed to by both sides. There is no further debate.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 1927) was agreed to.

AMENDMENT NO. 2240

(Purpose: To preserve essential air services at dominated hub airports)

Mr. MCCAIN. Mr. President, on behalf of Senator DORGAN, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for Mr. DORGAN, proposes an amendment numbered 2240.

Mr. MCCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following:

**SEC. PRESERVATION OF ESSENTIAL AIR SERVICE AT DOMINATED HUB AIRPORTS.**

(a) IN GENERAL.—Subchapter II of chapter 417 is amended by adding at the end thereof the following:

**''§ 41743. Preservation of basic essential air service at dominated hub airports**

''(a) IN GENERAL.—If the Secretary of Transportation determines that extraordinary circumstances jeopardize the reliable

and competitive performance of essential air service under this subchapter from a subsidized essential air service community to and from an essential airport facility, then the Secretary may require the air carrier that has more than 50 percent of the total annual enplanements at that essential airport facility to take action to enable an air carrier to provide reliable and competitive essential air service to that community. Action required by the Secretary under this subsection may include interline agreements, ground services, subleasing of gates, and the provision of any other service to facility necessary for the performance of satisfactory essential air service to that community.

''(b) ESSENTIAL AIRPORT FACILITY DEFINED.—In this section, the term 'essential airport facility' means a large hub airport (as defined in section 41731) in the contiguous 48 states at which 1 air carrier has more than 50 percent of the total annual enplanements at that airport.''.

Mr. MCCAIN. Mr. President, I thank Senator DORGAN for this amendment. Senator DORGAN has been, for at least 10 years I know, deeply concerned about this whole issue of essential air service. Although essential air service has increased funding, still we are not having medium-sized and small markets being served as they deserve.

I thank Senator DORGAN for the amendment.

It has been agreed to by both sides. I don't believe there is any further debate.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 2240) was agreed to.

The PRESIDING OFFICER. Without objection, the modified Baucus amendment is agreed to.

The amendment (No. 1898), as modified, was agreed to.

Mr. MCCAIN. Thank you, Mr. President. All we have now remaining is the managers' amendment, which will be arriving shortly. Then I will have a request on behalf of the leader for FAA passage, and the parliamentary procedures for doing so.

Mr. DOMENICI. Mr. President, I wonder if I might use a few moments while the manager is waiting to give general observations. I am totally in favor of the bill. I just want to talk generally about the Airport and Airways Trust Fund.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. I thank the Chair.

Over the last several years, there has been a lot of talk and support on the House side for the idea of changing the budgetary status of the Airport and Airways Trust Fund. In fact, the House's FAA Reauthorization bill, the so-called AIR–21, would take the Airport and Airways Trust Fund off-budget. Some say the House's real intent is to create a new budgetary firewall for aviation, similar to those created for the highway and mass transit trust funds under the Transportation Equity Act for the 21st Century (TEA–21).

I've been hearing distant, low rumbles from a minority of my colleagues on this side of the Capitol. They, too, would like an off-budget status or firewall for the Aviation Trust Fund.

Let me reiterate my response to these proposals—These proposals are dangerous and fiscally irresponsible. They undermine the struggle to control spending, reduce taxes, and balance the budget.

Taking the Aviation Trust Fund off-budget would allow FAA spending to be exempt from all congressional budget control mechanisms. It would provide aviation with a level of protection now provided only to Social Security. Important spending control mechanisms such as budget caps, pay-as-you-go rules, and annual congressional oversight and review would no longer apply.

A firewall scenario has very similar problems. A firewall would prevent the Appropriations Committee from reducing trust fund spending, even if the FAA was not ready to spend the money in a given year. If the Appropriations Committee wanted to increase FAA spending above the firewall, it would have to come from the discretionary spending cap, a very difficult choice given the tight discretionary caps through 2002.

These proposals would also create problems in FAA management and oversight. Both an off-budget or firewall status would reduce management and oversight of the FAA by taking trust fund spending out of the budget process. Placing the FAA and the trust fund on autopilot by locking-up funding would result in fewer opportunities to review and effect needed reforms. This is very dangerous. There would be little leverage to induce the FAA to strive for higher standards of performance. Now is the time for more management and oversight by both the Authorizing and Appropriations committee, not less.

The Budget Enforcement Act and other budget laws were created to keep runaway spending in check. I oppose, as we all should, budgetary changes that would make it more difficult to control spending, weaken congressional oversight, create a misleading federal budget, and violate the spirit of the law.

Some of my colleagues object to the building of money in the Aviation Trust Fund. They contend that all of the revenues should be spent on airport improvements. They say that all of the aviation related user taxes should be dedicated to aviation, and should not be used for other spending programs, deficit reduction, or tax cuts.

On the contrary, total FAA expenditures have far exceeded the resources flowing into the trust fund. Since the trust fund was created in 1971 to 1998, total expenditures have exceeded total tax revenues by more than $6 billion.

This is because the Aviation Trust Fund resources have been supplemented with General Revenues. The purpose of the General Fund contribution is that the federal government should reimburse the FAA for the direct costs of public-sector use of the air traffic control system. The FAA estimated in 1997 that the public-sector costs incurred on the air traffic control system is 7.5 percent.

In 1999, a total of 15 percent of federal aviation funding came from the General Fund. Since the creation of the Aviation Trust Fund, the General Fund subsidy for the FAA is 38 percent of all spending. This far exceeds the 7.5 percent public-sector costs that FAA estimated. Therefore, over the life of the trust fund, the public sector has subsidized the cost of the private-sector users of the FAA by $46 billion.

Let this Congress not make the fiscally irresponsible decision to insulate aviation spending from any fiscal restraint imposed by future budget resolutions; to make aviation spending off-limits to Congressional Appropriations Committees. Let us not grant aviation a special budgetary privilege, and make it more difficult for future Congresses and Administrations to enact major reforms in airport and air traffic control funding and operations.

Taking the Aviation Trust Funds off-budget or creating a firewall—these proposals are not fit to fly!

I yield the floor. I thank the chairman for yielding.

Mr. MCCAIN. Mr. President, I thank the Senator from New Mexico.

AMENDMENT NO. 2265

(Purpose: To make available funds for Georgia's regional airport enhancement program)

Mr. MCCAIN. Mr. President, I send an amendment to the desk on behalf of Senator COVERDELL.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for Mr. COVERDELL, proposes an amendment numbered 2265.

Mr. MCCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place in the Manager's substitute amendment, insert the following:

**SEC. . AVAILABILITY OF FUNDS FOR GEORGIA'S REGIONAL AIRPORT ENHANCEMENT PROGRAM.**

Of the amounts made available to the Secretary of Transportation for the fiscal year 2000 under section 48103 of title 49, United States Code, funds may be available for Georgia's regional airport enhancement program for the acquisition of land.

Mr. MCCAIN. Mr. President, there is no further debate on the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 2265) was agreed to.

Mr. MCCAIN. Mr. President, I know of no further amendments to be offered to S. 82 other than the managers' package.

I ask unanimous consent that the Senate proceed to the debate and vote

in relation to the Robb amendment. I further ask unanimous consent that following the vote in relation to the Robb amendment, the managers' amendment be in order, and following its adoption, the bill be advanced to third reading.

The PRESIDING OFFICER. Is there objection?

Mr. WELLSTONE. Mr. President, I wonder whether I could ask my colleague, how long will the debate be on the Robb amendment?

Mr. MCCAIN. According to the previous unanimous consent amendment, there was 5 minutes for Senators BRYAN, WARNER, ROBB, and 5 minutes for me. I don't intend to use my 5 minutes because I know that the Senator from Nevada can far more eloquently state the case.

Mr. WELLSTONE. I shall not object.

The PRESIDING OFFICER. Without objection, the unanimous-consent request is agreed to.

Mr. MCCAIN. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays on passage of the House bill.

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

Mr. MCCAIN. I now ask for the yeas and nays.

The PRESIDING OFFICER. Is there a second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MCCAIN. Mr. President, therefore, two back-to-back votes will occur within a short period of time, the last in the series being final passage of the FAA bill.

I thank all Senators for their cooperation.

Before I move on to the debate on the part of Senator BRYAN, Senator ROBB, Senator WARNER, and myself, I will ask that the Chair appoint Republican conferees on this side of the aisle as follows: Senators MCCAIN, STEVENS, BURNS, GORTON, and LOTT; and from the Budget Committee, Senators DOMENICI, GRASSLEY, and NICKLES.

I hope the other side will be able to appoint conferees very shortly as well so that we can move forward to a conference on the bill. I understand the Democratic leader has not decided on the conferees. But we have decided ours.

I see the Senator from Nevada.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Nevada.

AMENDMENT NO. 2259

Mr. BRYAN. Mr. President, I would like to accommodate the distinguished Senator from Arizona, the chairman. The Senator from Nevada would like to use 2 minutes of his time at this point and reserve the remainder.

I rise in opposition to the amendment offered by our distinguished colleague from Virginia. I do so because the effect of his amendment would leave us with the perimeter rule unchanged.

Very briefly, the perimeter rule is a rule enacted by statute by the Congress of the United States which prohibits flights originating from Washington National to travel more than 1,250 miles and prohibits any flights originating more than 1,250 miles from Washington National from landing here.

The General Accounting Office has looked at this and has found that it is anticompetitive. It tends to discriminate against new entrants into the marketplace, and it cannot be justified by any rational standard.

As is so often the case, a page of history is more instructive than a volume of logic. The history of this dates back to 1986 when there was difficulty in getting long-haul carriers to move to Washington Dulles. At that point in time, the perimeter rule, which was then something like 750 miles, was put into effect to force air service for long-haul carriers out of Dulles. As we all know, that is no longer the case. Dulles has gone to a multibillion-dollar expansion and the original basis for the rule no longer exists.

The effect, unfortunately, of the amendment offered by the distinguished Senator from Virginia is to leave that perimeter rule in place unchanged. The Senator from Arizona has recommended a compromise. He and I would prefer to abolish the rule in its entirety. Yielding to the reality of the circumstances, he has provided a compromise to provide for 24 additional slots: 12 to be made available for carriers that would serve outside of the perimeter; that is, beyond the 1,250 miles, and 12 within the 1,250 miles.

This is a very important piece of legislation, and I urge my colleagues to defeat it on the basis that it is anticompetitive, unnecessary, and no longer serves any useful purpose.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from Arizona.

Mr. MCCAIN. Mr. President, in light of the fact that Senator WARNER just arrived and Senator ROBB has not arrived, I ask unanimous consent that we stand in a quorum call for approximately 5 minutes, and that will give Senator WARNER time to collect his thoughts. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. MCCAIN. I yield 3 minutes of my time to the Senator from West Virginia, Mr. ROCKEFELLER.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, each Member of the Senate will vote on the Robb amendment as they see fit. I want to simply make a philosophical statement, which I made earlier but will make it again.

The fact that passengers, planes, parcels, international flight activities, planes in the air, and planes on the ground are either going to be doubling, tripling, or quadrupling over the next 10 years is obviously not now in effect but has everything to do with the future of what it is that our airports are willing to accept and what it is that those who live around our airports are willing to accept.

To stop aviation growth, to stop aviation traffic, passengers, packages, new airlines, and new international flight activity is to try to stop the Internet. It is something you might wish for, but it is not going to happen. In fact, it is not something we wish for because it is good economic activity. Ten million people work for the airline aviation industry, and many of those people work in and around the airports where those airplanes land and take off.

My only point is, we cannot expect to have progress in this country without there being a certain inconvenience that goes along with it. We have become accustomed to having our cake and eating it, too, and that is having our airports but then having a relatively small number of flights landing or a slotted number, in the case of four of our major airports, landing, but then the thought of others landing becomes very difficult.

Atlanta, Newark, and many other large airports do not have any slots at all. The people who live around them survive. They hear the noise. They do not like it. The noise mitigation is getting much better as technology improves, and the safety technology, if the Congress will give the money, will get even better than it is. It is virtually a perfect record.

I simply make the observation that slots are a difficult subject. They are very controversial because people prefer quietness to noise. But in a world that grows more complex in commerce, in which the standard of living is increasing enormously, one cannot have the convenience of travel, the convenience of packages, the convenience of letters, the convenience of getting around internationally, and the convenience of many new airplanes and expect to have everything the way it was 30 years ago hold until this day.

I thank the Presiding Officer and the chairman of the committee and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. MCCAIN. Mr. President, I ask unanimous consent that the time be counted against my time under a quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. WARNER. Mr. President, I just attended a ceremony at the Department of Defense, at which time the President signed the authorization bill for the Armed Forces of the United States for the year 2000. I was necessarily delayed in returning to the floor. My colleague, Senator ROBB, accompanied me, and he will be here momentarily. We worked together on this amendment, as we worked together on this project from the inception, a project basically to try to get National Airport and Dulles Airport into full operation.

Our aim all along has been to let modernization go forward and, to the extent we can gain support in this Chamber, limit any increase in the number of flights. We do this because of our concerns regarding safety, congestion, and other factors. I say ''other factors'' because at the time the original legislation was passed whereby we defederalized these airports and allowed a measure of control by other than Federal authorities, giving the State of Virginia, the State of Maryland, and the District of Columbia a voice in these matters, it was clear that Congress should not micromanage these two airports.

We went through a succession of events to achieve this objective, and we are here today hopefully to finalize this legislation—and I have already put in an amendment to allow the modernization to go forward—and to do certain other things in connection with the board, to let the board be appointed.

Now we come to the question of the increased flights, and I support the amendment by my distinguished colleague.

I want to cover some history.

My remarks today will focus on the unwise provisions included in this bill which tear apart the perimeter and high density rules at Reagan National Airport. These rules have been in effect—either in regulation or in statute—for nearly 30 years. Since 1986, these rules have been a critical ingredient in providing for significant capital investments and a balance in service among this region's three airports—Dulles International, Reagan National, and Baltimore-Washington International.

First and foremost, I believe these existing rules have greatly benefitted the traveling public—the consumer.

Mr. President, to gain a full understanding of the severe impact these increased slot changes will have on our regional airports, one must examine the recent history of these three airports.

Prior to 1986, Dulles and Reagan National were federally owned and managed by the FAA. The level of service provided at these airports was deplorable. At National, consumers were routinely subject to traffic gridlock, insufficient parking, and routine flight cancellations and delays. Dulles was an isolated, underutilized airport.

For years, the debate raged within the FAA and the surrounding communities about the future of Reagan National. Should it be improved, expanded or closed? This ongoing uncertainty produced a situation where no investments were made in National and Dulles and service continued to deteriorate.

A national commission, now known as the Holton Commission, was created in 1984. It was led by former Virginia Governor Linwood Holton and former Secretary of Transportation Elizabeth Dole and charged with resolving the longstanding controversies which plagued both airports. The result was a recommendation to transfer federal ownership of the airports to a regional authority so that sorely needed capital investments to improve safety and service could be made.

I was pleased to have participated in the development of the 1986 legislation to transfer operations of these airports to a regional authority. It was a fair compromise of the many issues which had stalled any improvements at both airports over the years.

The regulatory high density rule was placed in the statute so that neither the FAA nor the Authority could unilaterally changes it. The previous passenger cap at Reagan National was repealed, thereby ending growth controls, in exchange for a freeze on slots. Lastly, the perimeter rule at 1,250 miles was established.

For those interested in securing capital investments at both airports, the transfer of these airports under a long-term lease arrangement to the Metropolitan Washington Airports Authority gave MWAA the power to sell bonds to finance the long-overdue work. The Authority has sold millions of dollars in bonds which has financed the new terminal, rehabilitation of the existing terminal, a new control tower and parking facilities at Reagan National.

These improvements would not have been possible without the 1986 Transfer Act which included the high density rule, and the perimeter rule. Limitations on operations at National had long been in effect through FAA regulations, but now were part of the balanced compromise in the Transfer Act.

For those who feared significant increases in flight activity at National and who for years had prevented any significant investments in National, they were now willing to support major rehabilitation work at National to improve service. They were satisfied that these guarantees would ensure that Reagan National would not become another ''Dulles or BWI''.

Citizens had received legislative assurances that there would be no growth at Reagan National in terms of permitted scheduled flights beyond on the 37-per-hour-limit. Today, unless the Robb amendment is adopted, we will be breaking our commitments.

These critical decisions in the 1986 Transfer Act were made to fix both the aircraft activity level at Reagan National and to set its role as a short/medium haul airport. These compromises served to insulate the airport from its long history of competing efforts to increase and to decrease its use.

Since the transfer, the Authority has worked to maintain the balance in service between Dulles and Reagan National. The limited growth principle for Reagan National has been executed by the Authority in all of its planning assumptions and the Master Plan. While we have all witnessed the transformation of National into a quality airport today, these improvements in terminals, the control tower and parking facilities were all determined to meet the needs of this airport for the foreseeable future based on the continuation of the high density and perimeter rules.

These improvements, however, have purposely not included an increase in the number of gates for aircraft or aircraft capacity.

Prior to the 1986 Transfer Act, while National was mired in controversy and poor service, Dulles was identified as the region's growth airport. Under FAA rules and the Department of Transportation's 1981 Metropolitan Washington Airports Policy, it was recognized that Dulles had the capacity for growth and a suitable environment to accommodate this growth.

Following enactment of the Transfer Act, plans, capital investments and bonding decisions made by the Authority all factored in the High Density and Perimeter rules.

Mr. President, I provide this history on the issues which stalled improvements at the region's airports in the 1970s and 1980s because it is important to understanding how these airports have operated so effectively over the past 13 years.

Every one of us should ask ourselves if the 1986 Transfer Act has met our expectations. For me, the answer is a resounding yes. Long-overdue capital investments have been made in Reagan National and Dulles. The surrounding communities have been given an important voice in the management of these airports. We have seen unprecedented stability in the growth of both airports. Most importantly, the consumer has benefited by enhanced service at Reagan National.

For these reasons, I have opposed an increase in slots at Reagan National. There is no justification for an increase of this size. It is not recommended by the administration, by the airline industry, by the Metropolitan Washington Airports Authority or by the consumer.

The capital improvements made at Reagan National since the 1986 Transfer Act have not expanded the 44 gates or expanded airfield capacity. All of the improvements that have been made

have been on the land side of the airport. No improvements have been made to accommodate increased aircraft capacity. Expanding flights at Reagan National will simply ''turn back the clock'' at National to the days of traffic gridlock, overcrowded terminal activity and flight delays—all to the detriment of the traveling public.

This ill-advised scheme is sure to return Reagan National to an airport plagued by delays and inconvenience. This proposal threatens to overwhelm the new facilities, just as the previous facilities were overwhelmed.

Mr. President, it is completely inappropriate for Congress to act as ''airport managers'' to legislate new flights. Those decisions should be made by the local airport authority with direct participation by the public in an open process. Today, we will be preventing local decisionmaking.

I know that my colleagues readily cite a recent GAO report that indicates that new flights at Reagan National can be accommodated. This report, however, plainly includes an important disclaimer. That disclaimer states:

> This study did not evaluate the potential congestion and noise that could result from an increase in operations at Reagan National. Ultimately, . . . the Congress must balance the benefits that additional flights may bring to the traveling public against the local community's concerns about the effect of those flights on noise, the environment, and the area's other major airports.

Surely, we cannot make this important decision in a vacuum. Determining how many flights serve Reagan National simply by measuring how quickly we can clear runway space is not sound policy.

For these reasons I urge the adoption of the Robb amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The 5 minutes allocated to the Senator have expired.

Mr. SARBANES. Mr. President, I rise in support of Senator ROBB's amendment to strike the exceptions to the high-density slot limit and the flight perimeter rule at Reagan National Airport.

I have serious concerns about increasing the number of flights and granting exemptions to the 1,250 mile nonstop perimeter rule at Ronald Reagan Washington National Airport. In my judgment, the bill provisions creating new slots at DCA and allowing for nonstop flights beyond the airport's existing 1,250 mile perimeter are fundamentally flawed for four reasons: first, they contravene longstanding federal policy; second, they undermine regional airport plans and programs; third these provisions will not have any significant impact on service for most consumers or competition in the Washington metropolitan region; and finally the provisions will subject local residents to an unwarranted increase in overflight noise.

First, the slot and perimeter rules have been in place for more than thirty years. And they were codified in the 1986 legislation that created the Metropolitan Washington Airports Authority. Both rules were pivotal in reaching the political consensus among federal, regional, state, and local interests that allowed for passage of the 1986 legislations. The rules, as codified, were designed to carefully balance the benefits and impacts of aviation in the Washington metropolitan area. The bill now before us would overturn more than thirty years of federal policies and upset the balance struck in 1986.

Second, the slot and perimeter rules are among the most fundamental air traffic management and planning tools available to the Metropolitan Washington Airports Authority. The Washington-Baltimore regional airport system plan and Reagan National Airport's master plan both rely on the slot and perimeter rules. By eliminating these tools, the bill before us would inappropriately override the authority and control vested in the Metropolitan Washington Airport Authority and would affect local land use plans. One of the main purposes of the 1986 Metropolitan Washington Airports Authority Act was to remove the federal government from the business of micro managing the operation of National Airport. The bill before us puts the federal government right back in the business of making decisions about daily operations and local community impacts—issues that should be left to local decision-makers.

Third, if the Washington region were not served by two other airports, Dulles and BWI, specifically designed to handle the kind of long-haul commercial jet operations never intended to use National, then the argument that the slot and perimeter rules are somehow inherently ''anti-competitive,'' might have some validity. However, because consumers have access to so many choices, the rules do not injure competition in the Washington-Baltimore region. Far from being an anemic market, the Washington-Baltimore market today is one of the healthiest and most competitive markets in the country. Consumers can choose between three airports and a dizzying number of flights and flight times. Indeed, GAO recently reported that even if the perimeter rule were removed ''only a limited number of passengers will switch'' from Dulles or BWI to National, underscoring my contention that the proposed new slots will yield no significant benefit to local consumers or otherwise improve the local market.

Finally, let me address the very important issue of noise, which is of principal concern to my constituents. Anyone who lives in the flight path of National Airport knows what a serious problem aircraft noise poses to human health and even performing daily activities. Citizens for the Abatement of Aircraft Noise (CAAN), a coalition of citizens and civic associations which has been working for more than 14 years to reduce aircraft noise in the Washington metropolitan area, has analyzed data from a recent Metropolitan Washington Airport Authority report which shows that between 31% and 53% of the 32 noise monitoring stations in the region have a day-night average sound level which is higher than the 65 decibel level that has been established by the EPA and the American National Standards Institute as the threshold above which any residential living is incompatible. New slots will add to the noise problem.

Mr. President, I support this amendment because I believe Congress should defer to the FAA and local airport officials on this issue. I also believe that Congress should not be asking hundreds of thousands of local residents to tolerate more aircraft noise merely to benefit a handful of frequent flyers and fewer than a handful of airlines. I urge my colleagues to support the amendment as well.

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The junior Senator from Virginia.

Mr. ROBB. Mr. President, I thank my senior colleague. He and I were away from the Senate floor for the signing of the defense authorization bill, which was the work of my colleague from Virginia and the committee he chairs. I thank him for his kind comments.

Very simply, this amendment is about a 1986 agreement, on which the senior Senator from Virginia and I both worked, as well as many others. It was an agreement between the Federal Government and the local governments and the State governments involved to make sure that we addressed the serious concerns that were then holding up any progress on improvements on National Airport.

At that time, we recognized that the two airports, Dulles Airport and Ronald Reagan Washington National Airport, work in tandem; they should be viewed as a single airport. Together, they serve consumers and the Washington region well. It was agreed that a local authority would best manage the airports, just as all other airports across the nation.

In this particular case, if we were to approve an increase in flights at National Airport, we would be breaking that deal.

We would also increase the delay and increase the disruption to local communities. Most importantly, we would be going back on a deal—we would be reneging on a deal that was made so the Federal Government would stay out of the business of trying to micromanage the only two airports in the area.

I hope the Members will respect the agreement that this body, the Federal Government, and the State governments and the local governments entered into in 1986, and move to strike the additional slots that are in an otherwise meritorious bill.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. Does the Senator from Virginia yield the remainder of the time? You have 2 minutes left.

Mr. ROBB. Unless my senior colleague has additional remarks or the Senator from Arizona, I would yield back.

Mr. WARNER. I have no additional remarks. My colleague has handled it. Our statements are very clear. We have worked together now for these many months. We did our very best on behalf of our State for this issue.

Mr. MCCAIN. Mr. President, I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Arizona has no more time.

Mr. ROBB. The Senator from Virginia yields back any time remaining.

The PRESIDING OFFICER. The Senator from Nevada has 2 minutes 55 seconds.

Mr. BRYAN. Mr. President, it is tempting to engage my colleagues in debate, both of whom are good friends, but I shall refrain from doing so, knowing the merits of this will result in the rejection of this amendment; therefore, I yield the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

Under the previous order, the question is on agreeing to the Robb amendment. The yeas and nays have been ordered. The clerk will call the roll.

Excuse me. The yeas and nays have not been ordered.

Mr. MCCAIN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The question is on agreeing to the Robb amendment No. 2259. The yeas and nays have been ordered. The clerk will call the roll.

The legislative assistant called the roll.

Mr. NICKLES. I announce that the Senator from Rhode Island (Mr. CHAFEE) and the Senator from Florida (Mr. MACK) are necessarily absent.

The result was announced—yeas 37, nays 61, as follows:

[Rollcall Vote No. 310 Leg.]

YEAS—37

| | | |
|---|---|---|
| Bayh | Hollings | Moynihan |
| Biden | Hutchison | Murray |
| Collins | Inouye | Reed |
| Conrad | Jeffords | Robb |
| Daschle | Johnson | Sarbanes |
| DeWine | Kennedy | Schumer |
| Dodd | Kerry | Smith (NH) |
| Dorgan | Lautenberg | Snowe |
| Durbin | Leahy | Torricelli |
| Edwards | Levin | Warner |
| Fitzgerald | Lieberman | Wellstone |
| Graham | Lincoln | |
| Gregg | Mikulski | |

NAYS—61

| | | |
|---|---|---|
| Abraham | Burns | Gorton |
| Akaka | Byrd | Gramm |
| Allard | Campbell | Grams |
| Ashcroft | Cleland | Grassley |
| Baucus | Cochran | Hagel |
| Bennett | Coverdell | Harkin |
| Bingaman | Craig | Hatch |
| Bond | Crapo | Helms |
| Boxer | Domenici | Hutchinson |
| Breaux | Enzi | Inhofe |
| Brownback | Feingold | Kerrey |
| Bryan | Feinstein | Kohl |
| Bunning | Frist | Kyl |
| Landrieu | Roberts | Stevens |
| Lott | Rockefeller | Thomas |
| Lugar | Roth | Thompson |
| McCain | Santorum | Thurmond |
| McConnell | Sessions | Voinovich |
| Murkowski | Shelby | Wyden |
| Nickles | Smith (OR) | |
| Reid | Specter | |

NOT VOTING—2

| | |
|---|---|
| Chafee | Mack |

The amendment (No. 2259) was rejected.

Mr. MCCAIN. Mr. President, I move to reconsider the vote.

Mr. BENNETT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MCCAIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. MCCAIN. Mr. President, the Senator from New Jersey, Mr. LAUTENBERG, has inserted—

Mr. BYRD. Mr. President, the Senate is not in order. May we have order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. Mr. President, I hope the Senator will forgive me. I am asking for order, and I am going to insist on it. I want to help the Chair to get order.

The PRESIDING OFFICER. The Senator is entitled to be heard.

Mr. BYRD. I hope the Chair will break that gavel so that Senators will hear him.

The PRESIDING OFFICER. Will the Senators in the well holding conversations please take them out.

I thank the Senator from West Virginia.

Mr. BYRD. I thank the Chair.

AMENDMENTS NOS. 2266 AND 1921

(Purpose: To make technical changes and other modifications to the substitute amendment.)

(Purpose: To improve the safety of animals transported on aircraft, and for other purposes)

Mr. MCCAIN. Mr. President, the Senator from New Jersey has insisted on his rights, which he has as a Senator, to propose an amendment, for which he seeks half an hour of discussion, followed by a vote on his amendment. He has another amendment which he has agreed to include in the managers' package, which is agreeable to both sides.

I ask unanimous consent that the Lautenberg amendment No. 1921 concerning pets be included in the managers' package and that the package be accepted at this time.

The PRESIDING OFFICER. Is there objection?

Mr. MCCAIN. I add to that unanimous consent request that immediately following that, the Senator from New Jersey be recognized for half an hour, and following this half hour we will vote on his second amendment, and that be immediately followed by final passage.

Mr. LAUTENBERG. Mr. President, I am not going to object. But I will try to wrap that up in less than half an hour to move the process.

Mr. MCCAIN. I thank the Senator from New Jersey.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendments (Nos. 2266 and 1921) were agreed to.

(The text of the amendments is printed in today's RECORD under ''Amendments Submitted.'')

Mr. MCCAIN. I yield the floor.

The PRESIDING OFFICER. Without objection, the underlying Gorton amendment No. 1892 is agreed to.

The amendment (No. 1892) was agreed to.

Mr. MCCAIN. Mr. President, I ask unanimous consent that no further amendments be in order.

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

Mr. MCCAIN. I yield the floor. I thank the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey.

As a courtesy to the Senator from New Jersey, all those having conversations will please take them off the floor.

The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, there is still a fair amount of commotion in the Chamber, and if I might ask that the Chamber be in order.

The PRESIDING OFFICER. The Senator is entitled to be heard.

Mr. LAUTENBERG. Mr. President, I hate to talk above the din, but I will take the liberty of doing so if that competition continues to exist.

Mr. BYRD. Mr. President, there is no reason the Senator from New Jersey has to insist on order. I ask that the Chair get order in the Senate.

The PRESIDING OFFICER. If each Senator holding a conversation could give the Senator from New Jersey their attention or take the conversation out of the Chamber, it would be appreciated.

The Senator from New Jersey.

Mr. LAUTENBERG. I thank the keeper of sanity in the Senate, the distinguished Senator from West Virginia, for his ever available courtesy.

AMENDMENT NO. 1922

(Purpose: To state requirements applicable to air carriers that bump passengers involuntarily)

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey (Mr. LAUTENBERG) proposes an amendment numbered 1922.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of title IV, insert the following new section:

**SEC. 454. REQUIREMENTS APPLICABLE TO AIR CARRIERS THAT BUMP PASSENGERS INVOLUNTARILY.**

(a) IN GENERAL.—If an air carrier denies a passenger, without the consent of the passenger, transportation on a scheduled flight for which the passenger has made a reservation and paid—

(1) the air carrier shall provide the passenger with a one-page summary of the passenger's rights to transportation, services, compensation, and other benefits resulting from the denial of transportation;

(2) the passenger may select comparable transportation (as defined by the air carrier), with accommodations if needed, or a cash refund; and

(3) the air carrier shall provide the passenger with cash or a voucher in the amount that is equal to the value of the ticket.

(b) DELAYS IN ARRIVALS.—If, by reason of a denial of transportation covered by subsection (a), a passenger's arrival at the passenger's destination is delayed—

(1) by more than 2 hours after the regularly schedule arrival time for the original flight, but less than 4 hours after that time, then the air carrier shall provide the passenger with cash or an airline voucher in the amount equal to twice the value of the ticket; or

(2) for more than 4 hours after the regularly schedule arrival time for the original flight, then the air carrier shall provide the passenger with cash or an airline voucher in the amount equal to 3 times the value of the ticket.

(c) DELAYS IN DEPARTURES.—If the earliest transportation offered by an air carrier to a passenger denied transportation as described in subsection (a) is on a day after the day of the scheduled flight on which the passenger has reserved and paid for seating, then the air carrier shall pay the passenger the amount equal to the greater of—

(1) $1,000; or

(2) 3 times the value of the ticket.

(d) RELATIONSHIP OF BENEFITS.—

(1) GENERAL AND DELAY BENEFITS.—Benefits due a passenger under subsection (b) or (c) are in addition to benefits due a passenger under subsection (a) with respect to the same denial of transportation.

(2) DELAY BENEFITS.—A passenger may not receive benefits under both subsection (b) and subsection (c) with respect to the same denial of transportation. A passenger eligible for benefits under both subsections shall receive the greater benefit payable under those subsections.

(e) CIVIL PENALTY.—An air carrier that fails to provide a summary of passenger's rights to one or more passengers on a flight when required to do so under subsection (a)(1) shall pay the Federal Aviation Administration a civil penalty in the amount of $1,000.

(f) DEFINITIONS.—In this section:

(1) AIRLINE TICKET.—The term ''airline ticket'' includes any electronic verification of a reservation that is issued by the airline in place of a ticket.

(2) VALUE.—The term ''value'', with respect to an airline ticket, means the value of the remaining unused portion of the airline ticket on the scheduled flight.

(3) WITHOUT CONSENT OF THE PASSENGER.—The term ''without consent of the passenger'', with respect to a denial of transportation to a passenger means a passenger, is denied transportation under subsection (a) for reasons other than weather or safety.

Mr. LAUTENBERG. Mr. President, I first want to thank the managers of the bill and acknowledge their hard work. The distinguished Senator from Arizona and the distinguished Senator from West Virginia have performed an extremely arduous task to get this bill to the place that it is. I don't enjoy holding the work back. I don't think I am doing that. By some quirk in the process, our amendment was not offered at an earlier time because of a procedural mixup. I thank them. I commend them for their understanding. I know they want to see this bill get into law. It is very important that we do.

I offer an amendment on an issue that is, unfortunately, becoming more and more of a problem for American travelers. That is the experience of reserve paid passengers being bumped from overbooked airline flights.

I have talked to Members, and I speak from direct personal experience where airlines said: Sorry, seats are filled—even though you have arrived on time, paid for your reservation—that is life, and we are sorry, and you can get there by going first to Boston, or Cincinnati, or what have you.

Our skies are more crowded than ever. People need to move quickly between different cities to do business and also to attend to a wide variety of personal functions. As this need has grown, people who fly find themselves increasingly at the mercy of the airlines. The airlines are not quite as user friendly as they used to be when they were scraping to get the revenues and the profits. They do not always treat their customers as they should.

They are pretty good. I give them credit. But in 1998, almost 45,000 customers—44,797, to be precise—were bumped from domestic flights on the 10 largest carriers; 45,000 people to whom word was given, well, you have lost your seat, and maybe you can get to your business appointment tomorrow; maybe you can miss the flight you were going to take to India; or maybe the funeral that was going to be held that you were going to attend can be held over for a couple of days until you get there.

Mr. President, it is not pleasant news when it happens. This year, the numbers have increased. For the first 6 months, 29,213 customers have been involuntarily bumped. If the trend continues, this year over 58,000 people could be involuntarily bumped—paid for, reserved, and just not able to get on the airplane.

People with a paid reservation have a right to expect a seat on the flight they booked. But too often they discover that having a ticket doesn't mean much when they get to the gate.

For the first half of the year, the number of people bumped from airlines has increased. Nothing ruins a business trip or a vacation more thoroughly than being bumped from a flight. It is sometimes impossible to make up for the lost hours and the frustration of rearranging longstanding business or personal plans.

The airlines ought not to be able to act as an elitist business. They have to treat their customers with respect, just as any other seller of services or products would have to do. They are the only business I know of that deliberately oversells their products.

Can you imagine, if you go to your doctor and you have an appointment, it is urgent that you see him, and you get bumped because someone else took your place; or you go to buy furniture, you paid for it, for 3 months you want to go down and see the final product, and they say, sorry, someone else took your place.

The airlines have a unique position. They also are users of a commodity that belongs to the American people; that is, our airspace. They use our airports that are paid for by others. They have lots of community services that accompany this process of handling passengers. When people hold a valid ticket to a sporting event or a concert, they know when they get there they are going to have a seat. They deserve the same assurances when they try to fly.

Current practices don't go far enough. There are regulations, but they don't have the teeth to get the airlines to respect passengers who hold paid for and reserved tickets. The regulations are out of date. They don't provide incentives for the airlines to pay attention to this overbooking problem. The amount of compensation has not been increased for those who are bumped since the early 1980s. The dollar amounts are not enough to have any impact on the airlines and their decisions to overbook flights.

I do not want to see them flying with empty seats. I do not think that is a good idea. People ought not to take advantage and make two, three, and four reservations and then do not show up. But the airlines are smart enough to figure out a different way to do it. Perhaps they will have to have some kind of a deposit on a reservation that is honored as part of the cost of the ticket. If not, then it becomes a reminder to the passenger, as well as to the airline, as well as a benefit to the airline, that they lost their seat.

While there are regulations now, we need to make this a matter of statutory law so the airlines step up to this serious issue. The Senate needs to send a strong message to the airlines that it cannot treat our constituents as second-class citizens when they fly. We need to put strong measures into law to protect consumers, and that is what this amendment does.

Very simply, my amendment is not out to get the airlines. It is to make sure that people are treated fairly, and we are going to have a chance to see whether my colleagues agree with me.

My amendment will make the airlines act more responsibly by allowing travelers who are bumped from a flight to first choose between alternative travel plans or receiving a full refund. Every traveler who is bumped will receive cash or a travel voucher at least

equal to the amount they paid for the flight. The amount of compensation would increase based on how long the person is delayed from his or her destination.

If a passenger is delayed more than 2 hours, he or she would receive 200 percent of the value of his or her ticket. If a passenger cannot depart that day, then he or she would receive 300 percent of the value of the ticket, or $1,000, whichever is greater. This will remind the airlines they have, after all, already sold that seat. They have already gotten the income from that seat.

My amendment would also require the airlines to disclose these rights to passengers in a one-page, simple-language summary. The burden should not be on the customer to read up on the latest Federal regulation or law to know their rights.

My goal is not to sponsor a ticket giveaway. The goal is to hold the airlines accountable when they put profits ahead of respect and service for their customers.

I will cut short my presentation. I ask my colleagues to recognize on what we are voting. We are voting on whether or not a passenger who gets bumped is entitled to compensation for being refused that flight or whether we are going to protect the airline's ability to continue to sell more than one person the same seat and hope they will be able to get away with it.

That, Mr. President, concludes my comments.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I see the majority leader on the floor. It is the intention of the two leaders to finish debate on this, have a vote on this amendment, and then have final passage by voice vote.

Mr. MCCAIN. I ask unanimous consent to vitiate the yeas and nays.

Mr. LAUTENBERG. I object.

Mr. MCCAIN. On final passage.

Mr. LAUTENBERG. No objection.

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

The question is on agreeing to the Lautenberg amendment.

The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I want to speak a moment to my colleagues. The Senator from New Jersey has indicated he wants to send a strong message to the airlines. I do, too. In fact, over a period of a number of months, a number of us have negotiated a strong message. What we did not do, however, is prescribe exactly what it was that would take place with each and every one of the problems. We forced them to report to us through the Department of Transportation with the inspector general monitoring and watching.

I have no objection to part of what is in this amendment, but what the Senator from New Jersey gets into is the most careful kind of mandating: If it is more than 2 hours late, such and such; if it is 4 hours late, such and such penalty. It goes on. Sometimes it is three times the value of the ticket—it just depends for what it might be.

In other words, it is precisely the opposite of what we approached the airlines to negotiate with in a very hard fashion. For example, they are going to have to reply to us on notification of known delays, cancellations, diversions, and a lot of other subjects, and they are going to have to do it within a prescribed amount of time, to which they have agreed.

We are going to increase penalties for consumer violations under which this amendment falls. I say to the Senator, I do not have any problem with him putting forward the purpose of his amendment. I do have a problem and urge my colleagues to have a problem with prescribing exactly how much would be paid according to which number of hours and how long the delay was. That is what we have tried to avoid.

The Senator, from the beginning, has not been for that approach, but that approach is what we have agreed to with the airlines. I ask the Senator if he will be willing to take out on page 2, from line 9 through page 3, line 6—if he will be willing to modify his amendment to that extent?

Mr. MCCAIN. Mr. President, I believe under the unanimous consent agreement, it is now time for the vote on the Lautenberg amendment.

Mr. LAUTENBERG. Mr. President, I agree with the exception of one thing that happened I am sure was inadvertent. As I understood it, the unanimous consent agreement did not call for rebuttal in any way. Since the distinguished Senator from West Virginia chose to rebut, I would like to make a couple of sentences to respond to that, and I assume there will be no objection.

The PRESIDING OFFICER. The Senator is correct. Is there objection? The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, GAO has reviewed voluntary customer service plans and the GAO concluded many of the new measures that the airlines volunteered to do were already required in law or regulation. The problem is the voluntary customer service plan says nothing on the topic of involuntary bumping. Whatever there is already on the books does not do it.

I hope my colleagues will support this reminder to the airlines that they have to take better care of the passengers.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, following the Lautenberg vote, I ask unanimous consent that H.R. 1000 be discharged from the Commerce Committee, that the Senate proceed to its immediate consideration, all after the enacting clause be stricken, the text of S. 82, as amended, be inserted in lieu thereof, the bill be read a third time, and a voice vote then occur on passage of H.R. 1000. Finally, I ask consent that following the vote, S. 82 be placed back on the calendar.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The question is on agreeing to the Lautenberg amendment.

Mr. LAUTENBERG. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1922. The yeas and nays have been ordered. The clerk will call the roll.

Mr. NICKLES. I announce that the Senator from Florida (Mr. MACK) and the Senator from Rhode Island (Mr. CHAFEE) are necessarily absent.

The result was announced—yeas 30, nays 68, as follows:

[Rollcall Vote No. 311 Leg.]

YEAS—30

| | | |
|---|---|---|
| Baucus | Hollings | Lincoln |
| Boxer | Jeffords | Mikulski |
| Bryan | Johnson | Moynihan |
| Byrd | Kennedy | Reed |
| Cleland | Kerrey | Sarbanes |
| Conrad | Kerry | Snowe |
| Dodd | Lautenberg | Specter |
| Feingold | Leahy | Torricelli |
| Feinstein | Levin | Wellstone |
| Harkin | Lieberman | Wyden |

NAYS—68

| | | |
|---|---|---|
| Abraham | Durbin | McCain |
| Akaka | Edwards | McConnell |
| Allard | Enzi | Murkowski |
| Ashcroft | Fitzgerald | Murray |
| Bayh | Frist | Nickles |
| Bennett | Gorton | Reid |
| Biden | Graham | Robb |
| Bingaman | Gramm | Roberts |
| Bond | Grams | Rockefeller |
| Breaux | Grassley | Roth |
| Brownback | Gregg | Santorum |
| Bunning | Hagel | Schumer |
| Burns | Hatch | Sessions |
| Campbell | Helms | Shelby |
| Cochran | Hutchinson | Smith (NH) |
| Collins | Hutchison | Smith (OR) |
| Coverdell | Inhofe | Stevens |
| Craig | Inouye | Thomas |
| Crapo | Kohl | Thompson |
| Daschle | Kyl | Thurmond |
| DeWine | Landrieu | Voinovich |
| Domenici | Lott | Warner |
| Dorgan | Lugar | |

NOT VOTING—2

| | |
|---|---|
| Chafee | Mack |

The amendment (No. 1922) was rejected.

Mr. ROCKEFELLER. Mr. President, I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. Mr. President, I rise to recognize the importance of today's passage of S. 82, the Federal Aviation Administration Reauthorization bill. Today is a great day for rural America's air passengers. This legislation, now known as the Air Transportation Improvement Act of 1999, will bring much needed air service to under served communities throughout the Nation. It will grant billions of dollars in federal funds to our Nation's small

airports for upgrades, through the Airport Improvements Program (AIP).

Senator MCCAIN, Chairman of the Committee on Commerce, Science and Transportation, is to be commended for his superb leadership on this complex and contentious measure. Together with Senator HOLLINGS, their joint efforts moved this bill through the committee, to the Senate floor, and to conference.

Also, Senator SLADE GORTON's leadership role in this legislation was vital. My friend and Colleague from the State of Washington proved himself pivotal earlier during S. 82 floor consideration. His counterpart, Senator JAY ROCKEFELLER, should also be commended for his efforts to move this bill forward.

Rural Americans are the biggest winners with the passage of S. 82. Citizens of under served communities will no longer have to travel hundreds of miles and several hours to board a plane. This legislation gives incentives to domestic air carriers and its affiliates to reach out to these people and serve them conveniently near their homes. Many Americans will be able to travel a reasonable distance to gain access to our Nation's skies and, from there, anywhere they wish to go.

I also applaud the hard work of Senator FRIST of Tennessee. He added provisions to S. 82 to expand small community air service. His dedicated efforts ensured that under served cities like Knoxville, Chattanooga and Bristol/Johnson are now in a position to receive additional or expanded air service. Likewise, his efforts will ensure that several under served regions in my home state of Mississippi, such as Gulfport-Biloxi, Tupelo, or Jackson, will become eligible to compete for more flights.

The major policy changes in S. 82 led to hard fought, but honest disagreements. I have enormous respect for the efforts of Senators JOHN WARNER and CHARLES GRASSLEY as they diligently advocated for their constituents and their respective states. This honest debate and willingness to work together to achieve common goals is what makes it exciting to serve in the United States Senate.

Throughout the last twelve months, my home state of Mississippi has received federal support from the AIP to make needed physical improvements. A portion of these funds went to the Meridian Airport Authority to rehabilitate the taxiway pavement. Other funds were allocated to the John C. Stennis International Airport in Hancock County to extend and light existing taxiways. These enhancements are needed. And this bill will ensure that the AIP will continue uninterrupted for the next three years. AIP's reauthorization within S. 82 will allow Mississippi to continue to receive funds for essential enhancements for the upcoming year. I look forward to working with the airport authorities in my home state to make sure that the right improvements are made at the right airports. This is essential to aviation safety and economic growth.

S. 82, through the Gorton-Rockefeller amendment, begins the process of evaluating current Air Traffic Control (ATC) management problems and implements initial change to begin to address these problems. I hope the Gorton/Rockefeller amendment will be a starting point for an intensive review of the ATC system next year. The delays experienced this past summer will return until a long-term solution to the Nation's ATC problems is implemented.

Once my Colleagues initiate ATC review, I encourage them to include all relevant stakeholders in this issue including officials from the general aviation community, Department of Defense, commercial airlines industry, and airports. Likewise, I hope the Senate will review other models of air traffic management, such as Nav Canada and others to examine ways that other countries are addressing this matter.

No legislative initiation is ever possible without the dedicated efforts of staff, and I want to take a moment to identify those who worked hard to prepare S. 82 for consideration by the full Senate.

From the Senate Committee on Commerce, Science and Transportation: Marti Allbright; Lloyd Ator; Mark Buse; Ann Choiniere; Julia Kraus; Michael Reynolds; Ivan Schlager; Scott Verstandig; and Sam Whitehorn.

The following staff also participated on behalf of their Senators: David Broome; Steve Browning; Jeanne Bumpus; John Conrad; Brett Hale; Amy Henderson; Ann Loomis; Randal Popelka; Jim Sartucci; and Lori Sharpe.

These individuals worked very hard on S. 82, and the Senate owes them a debt of gratitude for their dedicated service to this legislation.

Mr. President, our Nation's small communities are a step closer to receiving long-sought air service. Also, America's smaller, yet important airstrips and airports will be enhanced. This is good for all Americans.

Mr. DASCHLE. Mr. President, I would like to voice my support for S. 82, the Air Transportation Improvement Act. I would also like to take this opportunity to commend Senator MCCAIN, the Chairman of the Senate Commerce Committee, and Senator HOLLINGS, the Ranking Member of that committee, for their leadership and their willingness to accommodate many of our colleagues who raised concerns about various provisions in the bill.

I would also like to thank Senator GORTON, the Chairman of the Aviation Subcommittee, and Senator ROCKEFELLER, the Ranking Member of that committee. They truly have been tireless advocates for improving aviation safety, security and system capacity. I would also like to thank the Majority Leader, Senator LOTT, for the cooperation he has shown on this bill and for recently leading the way on another aviation bill that allowed the FAA to release FY99 funds for airport construction projects. Finally, I would like to thank all of my colleagues for their willingness to allow timely Senate consideration of this must-pass legislation.

If it seems like the Senate has already considered legislation bill to authorize programs at the Federal Aviation Administration (FAA) including the Airport Improvement Program (AIP), that is because it has. More than a year ago, the Senate passed S. 2279, the Wendell H. Ford National Air Transportation System Improvement Act. Although there was overwhelming support for this legislation in the Senate last year, House and Senate negotiators could not agree on a multi-year FAA authorization bill. In October of last year, Congress passed a six-month authorization of the FAA instead. The FAA has been operating under short-term extensions ever since.

Mr. President, this is no way to fund the FAA. Short-term extension after short-term extension disrupts long-term planning at the FAA and at airports around the country that rely on federal funds to improve their facilities and enhance aviation safety. Perhaps the only thing worse than passing a short-term extension is allowing the AIP program to lapse all together. Unfortunately, that is exactly what Congress did before the August recess when the House failed to pass a 60-day extension previously approved by the Senate. Almost two months later, Congress passed a bill authorizing the FAA to release $290 million for airport construction projects just before the funds were set to expire at end of the fiscal year.

Airports around the country came within one day of losing federal funds they need for construction projects. The numerous short-term extensions could have been avoided if Congress would have simply passed a multi-year FAA preauthorization bill. We had our chance last year, and we have had more than enough time to carry out that responsibility this year. The Senate Commerce Committee approved S. 82, the Air Transportation Improvement Act of 1999 on February 11—almost eight months ago. As my colleagues know, this legislation is almost identical to S. 2279, the Wendell H. Ford National Air Transportation System Improvement Act.

With the amendment offered by the managers of the bill, S. 82 would authorize programs at the FAA including the AIP program through FY02. Specifically, it would provide more than $2.4 billion a year for airport construction projects and more than $2 billion a year for facilities and equipment upgrades. It would also provide between $5.8 billion and $6.3 billion for the FAA's operations in FY00 through FY02.

S. 82 includes a number of provisions to encourage competition among the

airlines and quality air service for communities. For instance, it would authorize $80 million for a four-year pilot program to improve commercial air service in small communities that have not benefitted from deregulation. Specifically, the bill calls for the establishment of an Office of Small Community Air Service Development at the Department of Transportation (DoT) to work with local communities, states, airports and air carriers and develop public-private partnerships that bring commercial air service including regional jet service to small communities.

I have often commented about how critical the Essential Air Service Program has been to small communities in South Dakota and around the country to retain air service. Although the Small Community Aviation Development Program would not provide a similar per passenger subsidy, it would give DoT the authority to provide up to $500,000 per year to as many as 40 communities that participate in the program and agree to pay 25 percent in matching funds. In addition, the legislation would establish an air traffic control service pilot program that would allow up to 20 small communities to share in the cost of building contract control towers. I am hopeful that South Dakota will have the opportunity to participate in the Small Community Aviation Development Program.

Mr. President, some have suggested that we should use S. 82 as a vehicle to reform the air traffic control (ATC) system. Due to a number of factors, including bad weather, flight delays reached record levels this summer. Last month, Senator ROCKEFELLER noted on the Senate floor that air traffic control delays increased by 19 percent from January to July of this year and by 36 percent from May to June when compared to the same time periods last year. The Air Transport Association estimates that the cost of air traffic control delays is $4.1 billion annually.

The Administrator of the FAA, Jane Harvey, recently announced a number of short-term plans to reduce air traffic control delays. Ensuring aviation safety must always be the FAA's top priority. But I think Administrator Harvey should be commended for working with the airlines to determine ways to reduce air traffic control delays while maintaining the FAA's commitment to safety. Although these short-term improvements may help reduce flight delays, Administrator Harvey and Secretary of Transportation, Rodney Slater, insist that more must be done to modernize the AT for the long-term.

Last week, Senators ROCKEFELLER and GORTON introduced a bill with a package of ATC improvements, and I am pleased that they plan to offer this proposal as an amendment to Air Transportation Improvement Act. Their proposal would create a Chief Operating Officer position with responsibility for funding and modernizing the ATC system. It would also create public-private joint ventures to purchase air traffic control equipment. Under their proposal, FAA seed money would be leveraged with money from the airports and airlines to purchase and field ATC modernization equipment more quickly. Although more may need to be done to improve the ATC system in the future, I think the plans announced by Administrator Harvey and the amendment offered by Senators ROCKEFELLER and GORTON are steps in the right direction.

Mr. President, I know some of our colleagues oppose provisions in that bill that would increase the number of flights at the four slot-controlled airports. The proposal to increase the number of flights at Ronald Reagan Washington National Airport has been particularly controversial, and I would like to commend Senator ROBB for being a strong advocate for his constituents in Northern Virginia. Although the amendment offered by the managers of the bill would reduce the increase from 48 to 24 new flights into Ronald Reagan Washington National Airport, I understand from Senator ROBB that many Virginians continue to find that increase objectionable. I know my distinguished colleague from Virginia will continue to make persuasive arguments against the increase, and I look forward to that debate.

Although there may be different provisions in this bill that each of us of may find objectionable, I hope my colleagues will join me in supporting S. 82, the Air Transportation Improvement Act. We simply cannot continue to fund the FAA and the AIP program with short-term extensions. It is unfair to the FAA, and it is unfair to airports in South Dakota and throughout the country. I encourage my colleagues to support S. 82, the Air Transportation Improvement Act.

Mr. GRASSLEY. I have filed an amendment dealing with child exploitation which I will not press at this time. However, during the conference on the FAA bill, I intend to pursue the matter further. It is my understanding that Senator MCCAIN will be willing to entertain soon an amendment during conference. Is that correct?

Mr. MCCAIN. That is correct.

Mr. HARKIN. Mr. President, the Senate struck the portion of the Gorton slots amendment concerning O'Hare Airport and inserted a portion of the language that had appeared in last years measure. I understand that was not done because the Chairman and Senator ROCKEFELLER supported the substance of the change. I understand there was a concern with the filing of over 300 amendments on the issue. It was clear that we would have had difficulty finishing the bill if the Senate was forced to consider those amendments. Now we can move this measure to conference. I am hopeful that we will see the slot rule eliminated in two phases in the conference. I believe that the O'Hare elements of the Gorton Amendment are solid and would be an excellent position for the Senate to push for, given that the House has proposed to eliminate slots at O'Hare.

We need a two-step elimination of the slot rule to provide time for mitigation against the adverse effects of the rule. These include: the need to provide for improved turboprop service for our small cities, the need to provide for regional jets for our mid-sized cities, the need to provide for balance between the major carriers and we need an ability to provide for new entrant carriers to competitively compete. I am pleased that Senator GRASSLEY is expected to be a conferee on the entire measure.

Mr. GRASSLEY. Mr. President, I agree with the remarks of my fellow Senator from Iowa. We need to eliminate the slot rule which is detrimental to the air service for cities in Iowa and throughout the Midwest. But, the elimination of slots does need to be done in the proper way. Otherwise the major carriers will absorb all of the capacity of the airport, not [providing sufficient service for small and medium sized cities. We need to provide for service by new entrant carriers that can provide for real competition on the price of tickets, increased ability to provide for turboprops so our smaller cities can have proper service, and regional jets for improved service to mid sized cities. While I am pleased with the action by the House, I do believe that it is important that the conferees support the content of the original Gorton proposal.

Mr. MCCAIN. Mr. President, I do agree with the comments of both Senators from Iowa about the need to eliminate the slot rule in two phases at O'Hare. As I stated this morning, I am a supporter of the Gorton slot amendment before its modification by Senator FITZGERALD. I intend to do what I can to have the conference report on the bill contain the provisions of that measure regarding O'Hare which I believe is good policy.

Providing for a 40 month first phase during which regional jets and turboprop aircraft to airports with under two million enplanements, as well as exemption of new entrant carriers, all under the limitations set out in the original amendment would be exempt from the slot rule is crucial. These are key elements of a first phase in the elimination of slots at O'Hare. I will also support the increased service provisions that allow for improved service in conference.

Mr. ROCKEFELLER. Mr. President, I fully agree with Senators HARKIN and GRASSLEY and Chairman MCCAIN. It is very important that service to small and mid-sized cities be improved. I believe that the Gorton slot provisions as originally proposed was good policy that I intend to support in conference. Both Senators HARKIN and GRASSLEY

have worked hard toward the development of the slot amendment concerning O'Hare and the New York Airports and their interest is well noted and I intend to do what I can in conference to provide for a mechanism along the lines that they proposed be agreed to in the conference.

The PRESIDING OFFICER (Mr. BROWNBACK). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Under the previous order, the clerk will report H.R. 1000 by title.

The legislative clerk read as follows:

A bill (H.R. 1000) to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. Under the previous order, all after the enacting clause of H.R. 1000 is stricken and the text of S. 82, as amended, is inserted in lieu thereof. The question is on third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 1000), as amended, was ordered to a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The bill (H.R. 1000), as amended, was passed, as follows:

(The bill will be printed in a future edition of the RECORD.)

The PRESIDING OFFICER. S. 82 is returned to the calendar.

Mr. ROCKEFELLER. Mr. President, I thank the Presiding Officer. I want to thank some folks because this is important to do. I thank Senators HOLLINGS, GORTON, MCCAIN, DASCHLE, Majority Leader LOTT, and Senator DODD, obviously, on the slot question. I thank very much Senators SCHUMER, DURBIN, HARKIN and ROBB for their cooperation.

On the Democratic Commerce staff, I thank Sam Whitehorn, Kevin Kayes, Julia Kraus and Kerry Ates, who works with me; and on the GOP Commerce staff, Ann Choiniere and Michael Reynolds; and on Senator GORTON's staff, Brett Hale. They have all done wonderful work and I thank them.

Mr. CRAPO addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

## MORNING BUSINESS

Mr. CRAPO. Mr. President, I ask unanimous consent that the Senate now proceed to a period for morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

## SUCCESSFUL INTERCEPT TEST OF THE NATIONAL MISSILE DEFENSE SYSTEM

Mr. COCHRAN. Mr. President, I am sure that by now Senators have heard the news that this past weekend a key element of our national missile defense system was successfully tested when a self-guided vehicle intercepted and destroyed an intercontinental ballistic missile in outer space some 140 miles above the Pacific Ocean.

This test was another in a string of successes of our new missile defense technology. The test last Saturday evening follows two consecutive successful intercepts each for the PAC–3 and THAAD theater missile defense systems.

The timing of this good news is fortunate, coming as it does a few weeks after our intelligence community released an unclassified summary of a new intelligence estimate which shows both theater and long-range ballistic missile threats continue to grow. That summary states:

The proliferation of [Medium Range Ballistic Missiles]—driven primarily by North Korean No-Dong sales—has created an immediate, serious, and growing threat to U.S. forces, interests and allies in the Middle East and Asia and has significantly altered the strategic balances in those regions.

Our new theater missile defense systems such as PAC–3, THAAD, and the airborne laser, and the Navy's area and theaterwide systems will help redress those balances and ensure the security of our forces and our allies.

The summary of the new intelligence estimate also discloses that new ICBM threats to the territory of the United States could appear in a few years and that those threats may be more sophisticated than previously estimated. The summary states:

Russia and China each have developed numerous countermeasures and probably are willing to sell the requisite technologies.

It states that countries such as North Korea, Iran, and Iraq could ''develop countermeasures based on these technologies by the time they flight-test their missiles.

The Washington Times reported recently that China's recent test of the DF–31 ICBM employed such countermeasures, and if the Chinese are willing to share this technology with rogue states such as North Korea, as the intelligence summary estimates, the threat we face may be more sophisticated than previously anticipated.

The intelligence summary notes a related trend that was also illustrated in a recent news report. It states:

Foreign assistance continues to have demonstrable effects on missile advances around the world. Moreover, some countries that have traditionally been recipients of foreign missile technology are now sharing more amongst themselves and are pursuing cooperative missile ventures.

Recently, the Jerusalem Post reported Syria is, with the help of Iran, developing a new 500 kilometer-range missile based on the North Korean Scud C. According to the summary of the National Intelligence Estimate, Iran is receiving technical assistance from Russia, and North Korea from China.

These disturbing trends suggest the ballistic missile threat—both to our forces deployed overseas and to our homeland—continue to increase, and it makes the recent successes all the more important. I congratulate the Army, the Ballistic Missile Defense Organization, and the contractor teams on their successes.

Saturday's success does not mean all the technical problems in our missile defense programs are solved, but the successful intercepts do confirm that the test programs are proving the technology of missile defense is maturing and that, with the appropriate resources, the talented men and women in our military and defense industries who are working on these programs are making very impressive progress on the development of workable theater and national missile defense systems. We should be very pleased with these successes and continue to support a robust missile defense program.

I yield the floor.

## MILLENNIUM DIGITAL COMMERCE ACT

Mr. ABRAHAM. Mr. President, I wonder if the Chairman of the Banking Committee, Senator GRAMM, would agree to a short colloquy with respect to the issues we are currently addressing in S. 761, the Millennium Digital Commerce Act.

Mr. GRAMM. I am pleased to discuss this legislation with my colleague from Michigan.

Mr. ABRAHAM. It is my understanding that the Banking Committee is currently reviewing this legislation and the impact it might have on banking regulations and law.

Mr. GRAMM. As I understand it, one proposed amendment to S. 761 contains language which would preclude the use of electronic records by business in instances where there is a state law or regulation affecting that record and that notification and disclosure requirements in particular would be precluded from being sent electronically.

Mr. ABRAHAM. That is correct.

Mr. GRAMM. That, Mr. President, is what causes some concern. I would say to the Senator from Michigan that I understand what your legislation intends to do and I support the goals of this bill, but notification and disclosure requirements are the responsibility of the Banking Committee. At this time, the Federal Reserve is formulating regulations for the use of electronic records by banks and mortgage providers, and notification and disclosure requirements will be a part of the proposed rules.

For that reason, I believe the Banking Committee should have the opportunity to consider this matter.

Mr. ABRAHAM. I thank my colleague for explaining his thoughts on