By Mr. DODD (for himself, Mr. LIEBERMAN, Mr. KERRY, and Mr. KENNEDY):

S. 919. A bill to amend the Quinebaug and Shetucket Rivers Valley National Heritage Corridor Act of 1994 to expand the boundaries of the Corridor; to the Committee on Energy and Natural Resources.

By Mrs. HUTCHISON (for herself, Mr. MCCAIN, Mr. HOLLINGS, and Mr. INOUYE):

S. 920. A bill to authorize appropriations for the Federal Maritime Commission for fiscal years 2000 and 2001; to the Committee on Commerce, Science, and Transportation.

By Mr. ABRAHAM (for himself, Mr. MCCAIN, and Mr. LOTT):

S. 921. A bill to facilitate and promote electronic commerce in securities transactions involving broker-dealers, transfer agents and investment advisers; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. ABRAHAM (for himself and Mr. HOLLINGS):

S. 922. A bill to prohibit the use of the ''Made in the USA'' label on products of the Commonwealth of the Northern Mariana Islands and to deny such products duty-free and quota-free treatment; to the Committee on Finance.

By Mr. SMITH of Oregon (for himself, Mr. THOMAS, and Mr. BROWNBACK):

S. 923. A bill to promote full equality at the United Nations for Israel; to the Committee on Foreign Relations.

By Mr. NICKLES (for himself, Ms. LANDRIEU, Mr. MURKOWSKI, Mr. DOMENICI, and Mrs. HUTCHISON):

S. 924. A bill entitled the ''Federal Royalty Certainty Act''; to the Committee on Energy and Natural Resources.

By Mr. DOMENICI:

S. 925. A bill to require the Secretary of the military department concerned to reimburse a member of the Armed Forces for expenses of travel in connection with leave cancelled to meet an exigency in connection with United States participation in Operation Allied Force; to the Committee on Armed Services.

By Mr. DODD (for himself, Mr. HAGEL, Mr. GRAMS, Mr. LUGAR, Mr. CHAFEE, Mr. LEAHY, Mr. KERREY, Mr. KERRY, Mr. LEVIN, Mr. KENNEDY, Mr. JEFFORDS, Mrs. LINCOLN, and Mrs. MURRAY):

S. 926. A bill to provide the people of Cuba with access to food and medicines from the United States, and for other purposes; to the Committee on Foreign Relations.

By Mr. DODD (for himself and Mr. HAGEL):

S. 927. A bill to authorize the President to delay, suspend, or terminate economic sanctions if it is in the important national interest of the United States to do so; to the Committee on Foreign Relations.

By Mr. SANTORUM (for himself, Mr. SMITH of New Hampshire, Mr. LOTT, Mr. ABRAHAM, Mr. ALLARD, Mr. ASHCROFT, Mr. BOND, Mr. BROWNBACK, Mr. BUNNING, Mr. BURNS, Mr. COCHRAN, Mr. CRAIG, Mr. CRAPO, Mr. DEWINE, Mr. DOMENICI, Mr. ENZI, Mr. FITZGERALD, Mr. FRIST, Mr. GORTON, Mr. GRAMM, Mr. GRAMS, Mr. GRASSLEY, Mr. HAGEL, Mr. HATCH, Mr. HELMS, Mr. HUTCHINSON, Mr. INHOFE, Mr. KYL, Mr. LUGAR, Mr. MACK, Mr. MCCAIN, Mr. MCCONNELL, Mr. MURKOWSKI, Mr. NICKLES, Mr. ROBERTS, Mr. SESSIONS, Mr. SHELBY, Mr. SMITH of Oregon, Mr. THOMAS, Mr. THURMOND, Mr. VOINOVICH, and Mr. WARNER):

S. 928. A bill to amend title 18, United States Code, to ban partial-birth abortions; to the Committee on the Judiciary.

By Mr. ROBB (for himself, Mrs. HUTCHISON, Mr. KERREY, Mr. HAGEL, Mr. REED, Mr. SMITH of New Hampshire, Mr. CLELAND, Mr. ABRAHAM, and Mr. HUTCHINSON):

S. 929. A bill to provide for the establishment of a National Military Museum, and for other purposes; to the Committee on Armed Services.

By Mr. REID (for himself and Mr. BRYAN):

S. 930. A bill to provide for the sale of certain public land in the Ivanpah Valley, Nevada, to the Clark County, Nevada, Department of Aviation; to the Committee on Energy and Natural Resources.

By Mr. MCCAIN (for himself, Mr. LIEBERMAN, and Mr. CONRAD):

S.J. Res. 23. A joint resolution expressing the sense of the Congress regarding the need for a Surgeon General's report on media and violence; to the Committee on Health, Education, Labor, and Pensions.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. HATCH (for himself, Mr. BINGAMAN, Mr. MCCAIN, Mr. REID, Mr. DOMENICI, Mr. LAUTENBERG, Mr. ABRAHAM, Mrs. FEINSTEIN, Mr. BOND, Mrs. MURRAY, and Mrs. HUTCHISON):

S. Res. 90. A resolution designating the 30th day of April 2000 as ''Dia de los Ninos: Celebrating Young Americans'', and for other purposes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CONRAD (for himself, Mr. NICKLES, Mr. INOUYE, Mr. ROCKEFELLER, and Mr. HARKIN):

S. 909. A bill to provide for the review and classification of physician assistant positions in the Federal Government, and for other purposes; to the Committee on Governmental Affairs.

PHYSICIAN ASSISTANT EQUITY ACT

Mr. CONRAD. Mr. President, today I am pleased to be joined by Senators NICKLES, ROCKEFELLER, INOUYE, and HARKIN to introduce legislation that directs the Office of Personnel Management (OPM) to develop a classification standard appropriate to the occupation of physician assistant.

Physician assistants are a part of a growing field of health care professionals that make quality health care available and affordable in underserved areas throughout our country. Because the physician assistant profession was very young when OPM first developed employment criteria in 1970, the agency adapted the nursing classification system for physician assistants. Today, this is no longer appropriate. Physician assistants have different education and training requirements than nurses and they are licensed and evaluated according to different criteria.

The inaccurate classification of physician assistants had led to recruitment and retention problems of physician assistants in federal agencies, usually caused by low starting salaries and low salary caps. Because it is recognized that physician assistants provide cost-effective health care, this is an important problem to resolve.

This legislation mandates that OPM review this classification in consultation with physician assistants and the organizations that represent physician assistants. The bill specifically states that OPM should consider the educational and practice qualifications of the position as well as the treatment of physician assistants in the private sector in this review.

Mr. President, I believe that this legislation will make an important correction that will help federal agencies make better use of these providers of cost-effective, high quality health care.

By Mr. CRAIG:

S. 910. A bill to streamline, modernize, and enhance the authority of the Secretary of Agriculture relating to plant protection and quarantine, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

NOXIOUS WEED COORDINATION AND PLANT PROTECTION ACT

• Mr. CRAIG. Mr. President, I rise today to introduce the ''Noxious Weed Coordination and Plant Protection Act of 1999''—a comprehensive bill which will focus the effort of federal agencies in fighting noxious weeds and other plant pests.

In January I introduced the Plant Protection Act, S. 321. This bill generated a lot of discussion and several suggestions for improvement, much of which is reflected in the bill I am introducing today. The Noxious Weed Coordination and Plant Protection Act of 1999 retains most of S. 321 but includes a section on federal coordination of noxious weed removal.

Mr. President, I ask that the bill and a section-by-section analysis be printed in the RECORD.

The material follows:

S. 910

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Noxious Weed Coordination and Plant Protection Act''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

SEC. 2. FINDINGS.

Congress finds that—

(1) the detection, control, eradication, suppression, prevention, and retardation of the spread of plant pests and noxious weeds is necessary for the protection of the agriculture, environment, and economy of the United States;

(2) biological control—

(A) is often a desirable, low-risk means of ridding crops and other plants of plant pests and noxious weeds; and

(B) should be facilitated by the Secretary of Agriculture, Federal agencies, and States, whenever feasible;

(3) the smooth movement of enterable plants, plant products, certain biological control organisms, or other articles into, out of, or within the United States is vital to the economy of the United States and should be facilitated to the extent practicable;

(4) markets could be severely impacted by the introduction or spread of plant pests or noxious weeds into or within the United States;

(5) the unregulated movement of plants, plant products, biological control organisms, plant pests, noxious weeds, and articles capable of harboring plant pests or noxious weeds would present an unacceptable risk of introducing or spreading plant pests or noxious weeds;

(6) the existence on any premises in the United States of a plant pest or noxious weed new to or not known to be widely prevalent in or distributed within and throughout the United States could threaten crops, other plants, and plant products of the United States and burden interstate commerce or foreign commerce; and

(7) all plants, plant products, biological control organisms, plant pests, noxious weeds, or articles capable of harboring plant pests or noxious weeds regulated under this Act are in or affect interstate commerce or foreign commerce.

SEC. 3. DEFINITIONS.

In this Act:

(1) ARTICLE.—The term ''article'' means a material or tangible object that could harbor a plant pest or noxious weed.

(2) BIOLOGICAL CONTROL ORGANISM.—The term ''biological control organism'' means an enemy, antagonist, or competitor organism used to control a plant pest or noxious weed.

(3) ENTER.—The term ''enter'' means to move into the commerce of the United States.

(4) ENTRY.—The term ''entry'' means the act of movement into the commerce of the United States.

(5) EXPORT.—The term ''export'' means to move from the United States to any place outside the United States.

(6) EXPORTATION.—The term ''exportation'' means the act of movement from the United States to any place outside the United States.

(7) IMPORT.—The term ''import'' means to move into the territorial limits of the United States.

(8) IMPORTATION.—The term ''importation'' means the act of movement into the territorial limits of the United States.

(9) INTERSTATE.—The term ''interstate'' means—

(A) from 1 State into or through any other State; or

(B) within the District of Columbia, Guam, the Virgin Islands of the United States, or any other territory or possession of the United States.

(10) INTERSTATE COMMERCE.—The term ''interstate commerce'' means trade, traffic, movement, or other commerce—

(A) between a place in a State and a point in another State;

(B) between points within the same State but through any place outside the State; or

(C) within the District of Columbia, Guam, the Virgin Islands of the United States, or any other territory or possession of the United States.

(11) MEANS OF CONVEYANCE.—The term ''means of conveyance'' means any personal property that could harbor a pest, disease, or noxious weed and that is used for or intended for use for the movement of any other personal property.

(12) MOVE.—The term ''move'' means to—

(A) carry, enter, import, mail, ship, or transport;

(B) aid, abet, cause, or induce the carrying, entering, importing, mailing, shipping, or transporting;

(C) offer to carry, enter, import, mail, ship, or transport;

(D) receive to carry, enter, import, mail, ship, or transport;

(E) release into the environment; or

(F) allow an agent to participate in any of the activities referred to in this paragraph.

(13) MOVEMENT.—The term ''move'' means the act of—

(A) carrying, entering, importing, mailing, shipping, or transporting;

(B) aiding, abetting, causing, or inducing the carrying, entering, importing, mailing, shipping, or transporting;

(C) offering to carry, enter, import, mail, ship, or transport;

(D) receiving to carry, enter, import, mail, ship, or transport;

(E) releasing into the environment; or

(F) allowing an agent to participate in any of the activities referred to in this paragraph.

(14) NOXIOUS WEED.—The term ''noxious weed'' means a plant or plant product that has the potential to directly or indirectly injure or cause damage to a plant or plant product through injury or damage to a crop (including nursery stock or a plant product), livestock, poultry, or other interest of agriculture (including irrigation), navigation, natural resources of the United States, public health, or the environment.

(15) PERMIT.—The term ''permit'' means a written (including electronic) or oral authorization by the Secretary to move a plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance under conditions prescribed by the Secretary.

(16) PERSON.—The term ''person'' means an individual, partnership, corporation, association, joint venture, or other legal entity.

(17) PLANT.—The term ''plant'' means a plant (including a plant part) for or capable of propagation (including a tree, tissue culture, plantlet culture, pollen, shrub, vine, cutting, graft, scion, bud, bulb, root, and seed).

(18) PLANT PEST.—The term ''plant pest'' means—

(A) a living stage of a protozoan, invertebrate animal, parasitic plant, bacteria, fungus, virus, viroid, infection agent, or pathogen that has the potential to directly or indirectly injure or cause damage to, or cause disease in, a plant or plant product; or

(B) an article that is similar to or allied with an article referred to in subparagraph (A).

(19) PLANT PRODUCT.—The term ''plant product'' means—

(A) a flower, fruit, vegetable, root, bulb, seed, or other plant part that is not covered by paragraph (17); and

(B) a manufactured or processed plant or plant part.

(20) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

(21) STATE.—The term ''State'' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.

(22) UNITED STATES.—The term ''United States'', when used in a geographical sense, means all of the States.

TITLE I—PLANT PROTECTION

SEC. 101. REGULATION OF MOVEMENT OF PLANT PESTS.

(a) PROHIBITION OF UNAUTHORIZED MOVEMENT OF PLANT PESTS.—Except as provided in subsection (b), no person shall import, enter, export, or move in interstate commerce a plant pest, unless the importation, entry, exportation, or movement is authorized under general or specific permit and is in accordance with such regulations as the Secretary may promulgate to prevent the introduction of plant pests into the United States or the dissemination of plant pests within the United States.

(b) AUTHORIZATION OF MOVEMENT OF PLANT PESTS BY REGULATION.—

(1) EXCEPTION TO PERMIT REQUIREMENT.—The Secretary may promulgate regulations to allow the importation, entry, exportation, or movement in interstate commerce of specified plant pests without further restriction if the Secretary finds that a permit under subsection (a) is not necessary.

(2) PETITION TO ADD OR REMOVE PLANT PESTS FROM REGULATION.—A person may petition the Secretary to add a plant pest to, or remove a plant pest from, the regulations promulgated under paragraph (1).

(3) RESPONSE TO PETITION BY THE SECRETARY.—In the case of a petition submitted under paragraph (2), the Secretary shall—

(A) act on the petition within a reasonable time; and

(B) notify the petitioner of the final action the Secretary takes on the petition.

(4) BASIS FOR DETERMINATION.—The determination of the Secretary on the petition shall be based on sound science.

(c) PROHIBITION OF UNAUTHORIZED MAILING OF PLANT PESTS.—

(1) IN GENERAL.—Subject to section 304, a letter, parcel, box, or other package containing a plant pest, whether or not sealed as letter-rate postal matter, is nonmailable and shall not knowingly be conveyed in the mail or delivered from any post office or by any mail carrier, unless the package is mailed in

compliance with such regulations as the Secretary may promulgate to prevent the dissemination of plant pests into the United States or interstate.

(2) APPLICATION OF POSTAL LAWS.—Nothing in this subsection authorizes a person to open a mailed letter or other mailed sealed matter except in accordance with the postal laws (including regulations).

(d) REGULATIONS.—Regulations promulgated by the Secretary to implement subsections (a), (b), or (c) may include provisions requiring that a plant pest imported, entered, to be exported, moved in interstate commerce, mailed, or delivered from a post office—

(1) be accompanied by a permit issued by the Secretary before the importation, entry, exportation, movement in interstate commerce, mailing, or delivery of the plant pest;

(2) be accompanied by a certificate of inspection issued (in a manner and form required by the Secretary) by appropriate officials of the country or State from which the plant pest is to be moved;

(3) be raised under post-entry quarantine conditions by or under the supervision of the Secretary for the purposes of determining whether the plant pest may be infested with other plant pests, may pose a significant risk of causing injury to, damage to, or disease in a plant or plant product, or may be a noxious weed; and

(4) be subject to such remedial measures as the Secretary determines are necessary to prevent the dissemination of plant pests.

SEC. 102. REGULATION OF MOVEMENT OF PLANTS, PLANT PRODUCTS, BIOLOGICAL CONTROL ORGANISMS, NOXIOUS WEEDS, ARTICLES, AND MEANS OF CONVEYANCE.

(a) IN GENERAL.—The Secretary may prohibit or restrict the importation, entry, exportation, or movement in interstate commerce of a plant, plant product, biological control organism, noxious weed, article, or means of conveyance, if the Secretary determines that the prohibition or restriction is necessary to prevent the introduction into the United States or the dissemination of a plant pest or noxious weed within the United States.

(b) REGULATIONS.—The Secretary may promulgate regulations to carry out this section, including regulations requiring that a plant, plant product, biological control organism, noxious weed, article, or means of conveyance imported, entered, to be exported, or moved in interstate commerce—

(1) be accompanied by a permit issued by the Secretary prior to the importation, entry, exportation, or movement in interstate commerce;

(2) be accompanied by a certificate of inspection issued (in a manner and form required by the Secretary) by appropriate officials of the country or State from which the plant, plant product, biological control organism, noxious weed, article, or means of conveyance is to be moved;

(3) be subject to remedial measures the Secretary determines to be necessary to prevent the spread of plant pests or noxious weeds; and

(4) in the case of a plant or biological control organism, be grown or handled under post-entry quarantine conditions by or under the supervision of the Secretary for the purpose of determining whether the plant or biological control organism may be infested with a plant pest or noxious weed, or may be a plant pest or noxious weed.

(c) LIST OF RESTRICTED NOXIOUS WEEDS.—

(1) PUBLICATION.—The Secretary may publish, by regulation, a list of noxious weeds that are prohibited or restricted from entering the United States or that are subject to restrictions on interstate movement within the United States.

(2) PETITIONS TO ADD PLANT SPECIES TO OR REMOVE PLANT SPECIES FROM LIST.—

(A) IN GENERAL.—A person may petition the Secretary to add a plant species to, or remove a plant species from, the list authorized under paragraph (1).

(B) ACTION ON PETITION.—The Secretary shall—

(i) act on the petition within a reasonable time; and

(ii) notify the petitioner of the final action the Secretary takes on the petition.

(C) BASIS FOR DETERMINATION.—The determination of the Secretary on the petition shall be based on sound science.

(d) LIST OF BIOLOGICAL CONTROL ORGANISMS.—

(1) PUBLICATION.—The Secretary may publish, by regulation, a list of biological control organisms the movement of which in interstate commerce is not prohibited or restricted.

(2) DISTINCTIONS.—In publishing the list, the Secretary may take into account distinctions between biological control organisms, such as whether the organisms are indigenous, nonindigenous, newly introduced, or commercially raised.

(3) PETITIONS TO ADD BIOLOGICAL CONTROL ORGANISMS TO OR REMOVE BIOLOGICAL CONTROL ORGANISMS FROM LIST.—

(A) IN GENERAL.—A person may petition the Secretary to add a biological control organism to, or remove a biological control organism from, the list authorized under paragraph (1).

(B) ACTION ON PETITION.—The Secretary shall—

(i) act on the petition within a reasonable time; and

(ii) notify the petitioner of the final action the Secretary takes on the petition.

(C) BASIS FOR DETERMINATION.—The determination of the Secretary on the petition shall be based on sound science.

SEC. 103. NOTIFICATION AND HOLDING REQUIREMENTS ON ARRIVAL.

(a) DUTY OF SECRETARY OF THE TREASURY.—

(1) NOTIFICATION.—The Secretary of the Treasury shall promptly notify the Secretary of Agriculture of the arrival of a plant, plant product, biological control organism, plant pest, or noxious weed at a port of entry.

(2) HOLDING.—The Secretary of the Treasury shall hold a plant, plant product, biological control organism, plant pest, or noxious weed, for which notification is made under paragraph (1) at the port of entry until the plant, plant product, biological control organism, plant pest, or noxious weed is—

(A) inspected and authorized by the Secretary of Agriculture for entry into or movement through the United States; or

(B) otherwise released by the Secretary of Agriculture.

(3) EXCEPTIONS.—Paragraphs (1) and (2) shall not apply to a plant, plant product, biological control organism, plant pest, or noxious weed that is imported from a country or region of a country designated by the Secretary of Agriculture, by regulation, as exempt from the requirements of those paragraphs.

(b) NOTIFICATION BY RESPONSIBLE PERSON.—The person responsible for a plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance required to have a permit under section 101 or 102 shall, as soon as practicable on arrival at the port of entry and before the plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance is moved from the port of entry, notify the Secretary of Agriculture or, at the Secretary of Agriculture's direction, the proper official of the State to which the plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance is destined, or both, as the Secretary of Agriculture may prescribe, of—

(1) the name and address of the consignee;

(2) the nature and quantity of the plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance proposed to be moved; and

(3) the country and locality where the plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance was grown, produced, or located.

(c) PROHIBITION OF MOVEMENT OF ITEMS WITHOUT INSPECTION AND AUTHORIZATION.—No person shall move from a port of entry or interstate an imported plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance unless the imported plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance has been—

(1) inspected and authorized by the Secretary of Agriculture for entry into or movement through the United States; or

(2) otherwise released by the Secretary of Agriculture.

SEC. 104. GENERAL REMEDIAL MEASURES FOR NEW PLANT PESTS AND NOXIOUS WEEDS.

(a) AUTHORITY TO HOLD, TREAT, OR DESTROY ITEMS.—If the Secretary considers it necessary to prevent the dissemination of a plant pest or noxious weed that is new to or not known to be widely prevalent or distributed within and throughout the United States, the Secretary may hold, seize, quarantine, treat, apply other remedial measures to, destroy, or otherwise dispose of a plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance that—

(1)(A) is moving into or through the United States or interstate, or has moved into or through the United States or interstate; and

(B)(i) the Secretary has reason to believe is a plant pest or noxious weed or is infested with a plant pest or noxious weed at the time of the movement; or

(ii) is or has been otherwise in violation of this Act;

(2) has not been maintained in compliance with a post-entry quarantine requirement; or

(3) is the progeny of a plant, plant product, biological control organism, plant pest, or noxious weed that is moving into or through the United States or interstate, or has moved into the United States or interstate, in violation of this Act.

(b) AUTHORITY TO ORDER AN OWNER TO TREAT OR DESTROY.—

(1) IN GENERAL.—The Secretary may order the owner of a plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance subject to action under subsection (a), or the owner's agent, to treat, apply other remedial measures to, destroy, or otherwise dispose of the plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance, without cost to the Federal Government and in a manner the Secretary considers appropriate.

(2) FAILURE TO COMPLY.—If the owner or agent of the owner fails to comply with an order of the Secretary under paragraph (1), the Secretary may take an action authorized by subsection (a) and recover from the owner or agent of the owner the costs of any care, handling, application of remedial measures, or disposal incurred by the Secretary in connection with actions taken under subsection (a).

(c) CLASSIFICATION SYSTEM.—

(1) IN GENERAL.—To facilitate control of noxious weeds, the Secretary may develop a

classification system to describe the status and action levels for noxious weeds.

(2) CATEGORIES.—The classification system may include the geographic distribution, relative threat, and actions initiated to prevent introduction or distribution.

(3) MANAGEMENT PLANS.—In conjunction with the classification system, the Secretary may develop integrated management plans for noxious weeds for the geographic region or ecological range where the noxious weed is found in the United States.

(d) APPLICATION OF LEAST DRASTIC ACTION.—No plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance shall be destroyed, exported, or returned to the shipping point of origin, or ordered to be destroyed, exported, or returned to the shipping point of origin under this section unless, in the opinion of the Secretary, there is no less drastic action that is feasible and that would be adequate to prevent the dissemination of any plant pest or noxious weed new to or not known to be widely prevalent or distributed within and throughout the United States.

SEC. 105. EXTRAORDINARY EMERGENCIES.

(a) AUTHORITY TO DECLARE.—Subject to subsection (b), if the Secretary determines that an extraordinary emergency exists because of the presence of a plant pest or noxious weed that is new to or not known to be widely prevalent in or distributed within and throughout the United States and that the presence of the plant pest or noxious weed threatens plants or plant products of the United States, the Secretary may—

(1) hold, seize, quarantine, treat, apply other remedial measures to, destroy, or otherwise dispose of, a plant, plant product, biological control organism, article, or means of conveyance that the Secretary has reason to believe is infested with the plant pest or noxious weed;

(2) quarantine, treat, or apply other remedial measures to any premises, including a plant, plant product, biological control organism, article, or means of conveyance on the premises, that the Secretary has reason to believe is infested with the plant pest or noxious weed;

(3) quarantine a State or portion of a State in which the Secretary finds the plant pest or noxious weed or a plant, plant product, biological control organism, article, or means of conveyance that the Secretary has reason to believe is infested with the plant pest or noxious weed; or

(4) prohibit or restrict the movement within a State of a plant, plant product, biological control organism, article, or means of conveyance if the Secretary determines that the prohibition or restriction is necessary to prevent the dissemination of the plant pest or noxious weed or to eradicate the plant pest or noxious weed.

(b) REQUIRED FINDING OF EMERGENCY.—The Secretary may take action under this section only on finding, after review and consultation with the Governor or other appropriate official of the State affected, that the measures being taken by the State are inadequate to prevent the dissemination of the plant pest or noxious weed or to eradicate the plant pest or noxious weed.

(c) NOTIFICATION PROCEDURES.—

(1) IN GENERAL.—Before any action is taken in a State under this section, the Secretary shall—

(A) notify the Governor or another appropriate official of the State;

(B) issue a public announcement; and

(C) except as provided in paragraph (2), publish in the Federal Register a statement of—

(i) the findings of the Secretary;

(ii) the action the Secretary intends to take;

(iii) the reason for the intended action; and

(iv) if practicable, an estimate of the anticipated duration of the extraordinary emergency.

(2) TIME SENSITIVE ACTIONS.—If it is not practicable to publish a statement in the Federal Register under paragraph (1) before taking an action under this section, the Secretary shall publish the statement in the Federal Register within a reasonable period of time, not to exceed 10 business days, after commencement of the action.

(d) APPLICATION OF LEAST DRASTIC ACTION.—No plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance shall be destroyed, exported, or returned to the shipping point of origin, or ordered to be destroyed, exported, or returned to the shipping point of origin under this section unless, in the opinion of the Secretary, there is no less drastic action that is feasible and that would be adequate to prevent the dissemination of a plant pest or noxious weed new to or not known to be widely prevalent or distributed within and throughout the United States.

(e) PAYMENT OF COMPENSATION.—

(1) IN GENERAL.—The Secretary may pay compensation to a person for economic losses incurred by the person as a result of action taken by the Secretary under this section.

(2) AMOUNT.—The determination by the Secretary of the amount of any compensation to be paid under this subsection shall be final and shall not be subject to judicial review.

SEC. 106. RECOVERY OF COMPENSATION FOR UNAUTHORIZED ACTIVITIES.

(a) RECOVERY ACTION.—The owner of a plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance destroyed or otherwise disposed of by the Secretary under section 104 or 105 may bring an action against the United States to recover just compensation for the destruction or disposal of the plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance (not including compensation for loss due to delays incident to determining eligibility for importation, entry, exportation, movement in interstate commerce, or release into the environment) if the owner establishes that the destruction or disposal was not authorized under this Act.

(b) TIME FOR ACTION; LOCATION.—

(1) TIME FOR ACTION.—An action under this section shall be brought not later than 1 year after the destruction or disposal of the plant, plant product, biological control mechanism, plant pest, noxious weed, article, or means of conveyance involved.

(2) LOCATION.—The action may be brought in a United States District Court where the owner is found, resides, transacts business, is licensed to do business, or is incorporated.

(c) PAYMENT OF JUDGMENTS.—A judgment in favor of the owner shall be paid out of any money in the Treasury appropriated for plant pest control activities of the Department of Agriculture.

SEC. 107. CONTROL OF GRASSHOPPERS AND MORMON CRICKETS.

(a) IN GENERAL.—Subject to the availability of funds under this section, the Secretary of Agriculture shall carry out a program to control grasshoppers and Mormon Crickets on all Federal land to protect rangeland.

(b) TRANSFER AUTHORITY.—

(1) IN GENERAL.—Subject to paragraph (3), on the request of the Secretary of Agriculture, the Secretary of the Interior shall transfer to the Secretary of Agriculture, from any no-year appropriations, funds for the prevention, suppression, and control of actual or potential grasshopper and Mormon Cricket outbreaks on Federal land under the jurisdiction of the Secretary of the Interior.

(2) USE.—The transferred funds shall be available only for the payment of obligations incurred on the Federal land.

(3) TRANSFER REQUESTS.—The Secretary of Agriculture shall make a request for the transfer of funds under this subsection as promptly as practicable.

(4) LIMITATION.—The Secretary of Agriculture may not use funds transferred under this subsection until funds specifically appropriated to the Secretary of Agriculture for grasshopper and Mormon Cricket control have been exhausted.

(5) REPLENISHMENT OF TRANSFERRED FUNDS.—Funds transferred under this section shall be replenished by supplemental or regular appropriations, which the Secretary of Agriculture shall request as promptly as practicable.

(c) TREATMENT FOR GRASSHOPPERS AND MORMON CRICKETS.—

(1) IN GENERAL.—Subject to the availability of funds under this section, on request of the head of the administering agency or the agriculture department of an affected State, the Secretary of Agriculture, to protect rangeland, shall immediately treat Federal, State, or private land that is infested with grasshoppers or Mormon Crickets at levels of economic infestation, unless the Secretary of Agriculture determines that delaying treatment will not cause greater economic damage to adjacent owners of rangeland.

(2) OTHER PROGRAMS.—In carrying out this section, the Secretary of Agriculture shall work in conjunction with other Federal, State, and private prevention, control, or suppression efforts to protect rangeland.

(d) FEDERAL COST SHARE OF TREATMENT.—

(1) CONTROL ON FEDERAL LAND.—Out of funds made available under this section, the Secretary of Agriculture shall pay 100 percent of the cost of grasshopper or Mormon Cricket control on Federal land to protect rangeland.

(2) CONTROL ON STATE LAND.—Out of funds made available under this section, the Secretary of Agriculture shall pay 50 percent of the cost of grasshopper or Mormon Cricket control on State land.

(3) CONTROL ON PRIVATE LAND.—Out of funds made available under this section, the Secretary of Agriculture shall pay 33.3 percent of the cost of grasshopper or Mormon Cricket control on private land.

(e) TRAINING.—From funds made available or transferred by the Secretary of the Interior to the Secretary of Agriculture to carry out this section, the Secretary of Agriculture shall provide adequate funding for a program to train personnel to accomplish effectively the purposes of this section.

SEC. 108. CERTIFICATION FOR EXPORTS.

The Secretary may certify a plant, plant product, or biological control organism as free from plant pests and noxious weeds, and exposure to plant pests and noxious weeds, according to the phytosanitary or other requirements of the countries to which the plant, plant product, or biological control organism may be exported.

TITLE II—INSPECTION AND ENFORCEMENT

SEC. 201. INSPECTIONS AND WARRANTS.

(a) IN GENERAL.—Consistent with guidelines approved by the Attorney General, the Secretary may—

(1) stop and inspect, without a warrant, a person or means of conveyance moving into the United States to determine whether the

person or means of conveyance is carrying a plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance subject to this Act;

(2) stop and inspect, without a warrant, a person or means of conveyance moving in interstate commerce on probable cause to believe that the person or means of conveyance is carrying a plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance subject to this Act;

(3) stop and inspect, without a warrant, a person or means of conveyance moving in intrastate commerce or on premises quarantined as part of an extraordinary emergency declared under section 105 on probable cause to believe that the person or means of conveyance is carrying a plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance subject to this Act; and

(4) enter, with a warrant, a premises in the United States for the purpose of conducting investigations or making inspections under this Act.

(b) WARRANTS.—

(1) IN GENERAL.—A United States judge, a judge of a court of record in the United States, or a United States magistrate judge may, on proper oath or affirmation showing probable cause to believe that there is on certain premises a plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance regulated under this Act, issue a warrant for entry on the premises to conduct an investigation or make an inspection under this Act.

(2) EXECUTION.—The warrant may be applied for and executed by the Secretary or a United States marshal.

SEC. 202. COLLECTION OF INFORMATION.

The Secretary may gather and compile information and conduct such investigations as the Secretary considers necessary for the administration and enforcement of this Act.

SEC. 203. SUBPOENA AUTHORITY.

(a) AUTHORITY TO ISSUE.—The Secretary may require by subpoena—

(1) the attendance and testimony of a witness; and

(2) the production of all documentary evidence relating to the administration or enforcement of this Act or a matter under investigation in connection with this Act.

(b) LOCATION OF PRODUCTION.—The attendance of a witness and production of documentary evidence may be required from any place in the United States at any designated place of hearing.

(c) ENFORCEMENT OF SUBPOENA.—If a person fails to comply with a subpoena, the Secretary may request the Attorney General to invoke the aid of a court of the United States within the jurisdiction in which the investigation is conducted, or where the person resides, is found, transacts business, is licensed to do business, or is incorporated, in obtaining compliance.

(d) FEES AND MILEAGE.—

(1) IN GENERAL.—A witness summoned by the Secretary shall be paid the same fees and mileage that are paid to a witness in a court of the United States.

(2) DEPOSITIONS.—A witness whose deposition is taken, and the person taking the deposition, shall be entitled to the same fees that are paid for similar services in a court of the United States.

(e) PROCEDURES.—

(1) IN GENERAL.—The Secretary shall publish procedures for the issuance of subpoenas under this section.

(2) LEGAL SUFFICIENCY.—The procedures shall include a requirement that a subpoena be reviewed for legal sufficiency and signed by the Secretary.

(3) DELEGATION.—If the authority to sign a subpoena is delegated, the agency receiving the delegation shall seek review for legal sufficiency outside that agency.

(f) SCOPE OF SUBPOENA.—A subpoena for a witness to attend a court in a judicial district or to testify or produce evidence at an administrative hearing in a judicial district in an action or proceeding arising under this Act may run to any other judicial district.

SEC. 204. PENALTIES FOR VIOLATION.

(a) CRIMINAL PENALTIES.—A person that knowingly violates this Act, or that knowingly forges, counterfeits, or, without authority from the Secretary, uses, alters, defaces, or destroys a certificate, permit, or other document provided under this Act shall be guilty of a misdemeanor, and, on conviction, shall be fined in accordance with title 18, United States Code, imprisoned not more than 1 year, or both.

(b) CIVIL PENALTIES.—

(1) IN GENERAL.—A person that violates this Act, or that forges, counterfeits, or, without authority from the Secretary, uses, alters, defaces, or destroys a certificate, permit, or other document provided under this Act may, after notice and opportunity for a hearing on the record, be assessed a civil penalty by the Secretary that does not exceed the greater of—

(A) $50,000 in the case of an individual (except that the civil penalty may not exceed $1,000 in the case of an initial violation of this Act by an individual moving regulated articles not for monetary gain), or $250,000 in the case of any other person for each violation, except the amount of penalties assessed under this subparagraph in a single proceeding shall not exceed $500,000; or

(B) twice the gross gain or gross loss for a violation or forgery, counterfeiting, or unauthorized use, defacing or destruction of a certificate, permit, or other document provided for in this Act that results in the person's deriving pecuniary gain or causing pecuniary loss to another person.

(2) FACTORS IN DETERMINING CIVIL PENALTY.—In determining the amount of a civil penalty, the Secretary—

(A) shall take into account the nature, circumstance, extent, and gravity of the violation; and

(B) may take into account the ability to pay, the effect on ability to continue to do business, any history of prior violations, the degree of culpability of the violator, and any other factors the Secretary considers appropriate.

(3) SETTLEMENT OF CIVIL PENALTIES.—The Secretary may compromise, modify, or remit, with or without conditions, a civil penalty that may be assessed under this subsection.

(4) FINALITY OF ORDERS.—

(A) IN GENERAL.—An order of the Secretary assessing a civil penalty shall be treated as a final order reviewable under chapter 158 of title 28, United States Code.

(B) COLLECTION ACTION.—The validity of an order of the Secretary may not be reviewed in an action to collect the civil penalty.

(C) INTEREST.—A civil penalty not paid in full when due under an order assessing the civil penalty shall (after the due date) accrue interest until paid at the rate of interest applicable to a civil judgment of the courts of the United States.

(c) LIABILITY FOR ACTS OF AN AGENT.—For purposes of this Act, the act, omission, or failure of an officer, agent, or person acting for or employed by any other person within the scope of employment or office of the officer, agent, or person, shall be considered to be the act, omission, or failure of the other person.

(d) GUIDELINES FOR CIVIL PENALTIES.—The Secretary shall coordinate with the Attorney General to establish guidelines to determine under what circumstances the Secretary may issue a civil penalty or suitable notice of warning in lieu of prosecution by the Attorney General of a violation of this Act.

SEC. 205. ENFORCEMENT ACTIONS OF ATTORNEY GENERAL.

The Attorney General may—

(1) prosecute, in the name of the United States, a criminal violation of this Act that is referred to the Attorney General by the Secretary or is brought to the notice of the Attorney General by any person;

(2) bring a civil action to enjoin the violation of or to compel compliance with this Act, or to enjoin any interference by a person with the Secretary in carrying out this Act, if the Attorney General has reason to believe that the person has violated or is about to violate this Act, or has interfered, or is about to interfere, with the Secretary; and

(3) bring a civil action for the recovery of an unpaid civil penalty, funds under a reimbursable agreement, late payment penalty, or interest assessed under this Act.

SEC. 206. COURT JURISDICTION.

(a) IN GENERAL.—Except as provided in section 204(b), a United States district court, the District Court of Guam, the District Court of the Virgin Islands, the highest court of American Samoa, and the United States courts of other territories and possessions are vested with jurisdiction in all cases arising under this Act.

(b) LOCATION.—An action arising under this Act may be brought, and process may be served, in the judicial district where—

(1) a violation or interference occurred or is about to occur; or

(2) the person charged with the violation, interference, impending violation, impending interference, or failure to pay resides, is found, transacts business, is licensed to do business, or is incorporated.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. COOPERATION.

(a) IN GENERAL.—To carry out this Act, the Secretary may cooperate with—

(1) other Federal agencies or entities;

(2) States or political subdivisions of States;

(3) national governments;

(4) local governments of other nations;

(5) domestic or international organizations;

(6) domestic or international associations; and

(7) other persons.

(b) RESPONSIBILITY.—The individual or entity cooperating with the Secretary shall be responsible for—

(1) obtaining the authority necessary for conducting the operations or taking measures on all land and property within the foreign country or State, other than land and property owned or controlled by the United States; and

(2) other facilities and means determined by the Secretary.

(c) TRANSFER OF BIOLOGICAL CONTROL METHODS.—The Secretary may transfer to a Federal or State agency or other person biological control methods using biological control organisms against plant pests or noxious weeds.

(d) COOPERATION IN PROGRAM ADMINISTRATION.—The Secretary may cooperate with State authorities or other persons in the administration of programs for the improvement of plants, plant products, and biological control organisms.

SEC. 302. BUILDINGS, LAND, PEOPLE, CLAIMS, AND AGREEMENTS.

(a) IN GENERAL.—The Secretary may acquire and maintain such real or personal

property, and employ such persons, make such grants, and enter into such contracts, cooperative agreements, memoranda of understanding, or other agreements, as are necessary to carry out this Act.

(b) TORT CLAIMS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary may pay a tort claim (in the manner authorized in the first paragraph of section 2672 of title 28, United States Code) if the claim arises outside the United States in connection with an activity authorized under this Act.

(2) REQUIREMENTS OF CLAIM.—A claim may not be allowed under paragraph (1) unless the claim is presented in writing to the Secretary not later than 2 years after the claim arises.

SEC. 303. REIMBURSABLE AGREEMENTS.

(a) PRECLEARANCE.—

(1) IN GENERAL.—The Secretary may enter into a reimbursable fee agreement with a person for preclearance (at a location outside the United States) of plants, plant products, biological control organisms, articles, and means of conveyance for movement to the United States.

(2) ACCOUNT.—All funds collected under this subsection shall be credited to an account that—

(A) may be established by the Secretary; and

(B) if established, shall remain available for preclearance activities until expended.

(b) OVERTIME.—

(1) IN GENERAL.—Notwithstanding any other law, the Secretary may pay an employee of the Department of Agriculture performing services under this Act relating to imports into and exports from the United States, for all overtime, night, or holiday work performed by the employee, at a rate of pay determined by the Secretary.

(2) REIMBURSEMENT OF SECRETARY.—The Secretary may require a person for whom the services are performed to reimburse the Secretary for funds paid by the Secretary for the services.

(3) ACCOUNT.—All funds collected under this subsection shall be credited to the account that incurs the costs and remain available until expended.

(c) LATE PAYMENT PENALTY AND INTEREST.—

(1) COLLECTION.—On failure of a person to reimburse the Secretary in accordance with this section, the Secretary may assess a late payment penalty against the person.

(2) INTEREST.—Overdue funds due the Secretary under this section shall accrue interest in accordance with section 3717 of title 31, United States Code.

(3) ACCOUNT.—A late payment penalty and accrued interest shall be credited to the account that incurs the costs and shall remain available until expended.

SEC. 304. PROTECTION FOR MAIL HANDLERS.

This Act shall not apply to an employee of the United States in the performance of the duties of the employee in handling the mail.

SEC. 305. PREEMPTION.

(a) REGULATION OF FOREIGN COMMERCE.—No State or political subdivision of a State may—

(1) regulate in foreign commerce a plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance; or

(2) in order to control a plant pest or noxious weed—

(A) eradicate a plant pest or noxious weed; or

(B) prevent the introduction or dissemination of a biological control organism, plant pest, or noxious weed.

(b) REGULATION OF INTERSTATE COMMERCE.—

(1) IN GENERAL.—Except as provided in paragraph (2), if the Secretary has promulgated a regulation or order to prevent the dissemination of a plant, plant product, biological control organism, plant pest, or noxious weed within the United States, no State or political subdivision of a State may—

(A) regulate the movement in interstate commerce of the plant, plant product, biological control organism, plant pest, noxious weed, article, or means of conveyance; or

(B) in order to control the plant pest or noxious weed—

(i) eradicate the plant pest or noxious weed; or

(ii) prevent the introduction or dissemination of the biological control organism, plant pest, or noxious weed.

(2) EXCEPTIONS.—

(A) REGULATIONS CONSISTENT WITH FEDERAL REGULATIONS.—Except as provided in subparagraph (B), a State or a political subdivision of a State may impose a prohibition or restriction on the movement in interstate commerce of plants, plant products, biological control organisms, plant pests, noxious weeds, articles, or means of conveyance that are consistent with and do not exceed the requirements of the regulations promulgated or orders issued by the Secretary under this Act.

(B) SPECIAL LOCAL NEED.—A State or political subdivision of a State may impose a prohibition or restriction on the movement in interstate commerce of plants, plant products, biological control organisms, plant pests, noxious weeds, articles, or means of conveyance, that are in addition to a prohibition or restriction imposed by the Secretary, if the State or political subdivision of a State demonstrates to the Secretary and the Secretary finds that there is a special need for additional prohibitions or restrictions based on sound scientific data or a thorough risk assessment.

SEC. 306. REGULATIONS AND ORDERS.

The Secretary may promulgate such regulations, and issue such orders, as the Secretary considers necessary to carry out this Act.

SEC. 307. REPEAL OF SUPERSEDED LAWS.

(a) REPEAL.—The following provisions of law are repealed:

(1) Subsections (a) through (e) of section 102 of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 147a).

(2) Section 1773 of the Food Security Act of 1985 (7 U.S.C. 148f).

(3) The Golden Nematode Act (7 U.S.C. 150 et seq.).

(4) The Federal Plant Pest Act (7 U.S.C. 150aa et seq).

(5) The Joint Resolution of April 6, 1937 (56 Stat. 57, chapter 69; 7 U.S.C. 148 et seq.).

(6) The Act of January 31, 1942 (56 Stat. 40, chapter 31; 7 U.S.C. 149).

(7) The Act of August 20, 1912 (commonly known as the ''Plant Quarantine Act'') (37 Stat. 315, chapter 308; 7 U.S.C. 151 et seq.).

(8) The Halogeton Glomeratus Control Act (7 U.S.C. 1651 et seq.).

(9) The Act of August 28, 1950 (64 Stat. 561, chapter 815; 7 U.S.C. 2260).

(10) The Federal Noxious Weed Act of 1974 (7 U.S.C. 2801 et seq.), other than the first section and section 15 of that Act (7 U.S.C. 2801 note, 2814).

(b) EFFECT ON REGULATIONS.—Regulations promulgated under the authority of a provision of law repealed by subsection (a) shall remain in effect until such time as the Secretary promulgates a regulation under section 306 that supersedes the earlier regulation.

TITLE IV—FEDERAL COORDINATION

SEC. 401. DEFINITIONS.

In this title:

(1) ACTION PLAN.—The term ''Action Plan'' means the National Invasive Species Action Plan developed and submitted to Congress under section 404, including any updates to the Action Plan.

(2) ALIEN SPECIES.—The term ''alien species'' means, with respect to a particular ecosystem, any species, including its seeds, eggs, spores, or other biological material capable of propagating the species, that is not native to that ecosystem.

(3) CONTROL.—The term ''control'' means—

(A) the suppression, reduction, or management of invasive species populations;

(B) the prevention of the spread of invasive species from areas where the species are present; and

(C) the taking of measures such as the restoration of native species and habitats to reduce the effects of invasive species and to prevent further invasions.

(4) COUNCIL.—The term ''Council'' means the Invasive Species Council established by section 402.

(5) ECOSYSTEM.—The term ''ecosystem'' means the complex of a community of organisms and the community's environment.

(6) FEDERAL AGENCY.—The term ''Federal agency'' has the meaning given the term ''agency'' in section 551 of title 5, United States Code, except that the term does not include an independent establishment (as defined in section 104 of title 5, United States Code).

(7) INTRODUCTION.—The term ''introduction'' means the intentional or unintentional escape, release, dissemination, or placement of a species into an ecosystem as a result of human activity.

(8) INVASIVE SPECIES.—The term ''invasive species'' means an alien species the introduction of which causes or is likely to cause economic or environmental harm or harm to human health.

(9) NATIVE SPECIES.—The term ''native species'' means, with respect to a particular ecosystem, a species that, other than as a result of an introduction, historically occurred or currently occurs in the ecosystem.

(10) SPECIES.—The term ''species'' means a group of organisms all of which—

(A) have a high degree of physical and genetic similarity;

(B) generally interbreed only among themselves; and

(C) show persistent differences from members of allied groups of organisms.

(11) STAKEHOLDER.—The term ''stakeholder'' means an entity with an interest in invasive species, including—

(A) a State, tribal, or local government agency;

(B) an academic institution;

(C) the scientific community; and

(D) a nongovernmental entity, including an environmental, agricultural, or conservation organization, trade group, commercial interest, or private landowner.

SEC. 402. INVASIVE SPECIES COUNCIL.

(a) ESTABLISHMENT.—There is established an advisory council to be known as the ''Invasive Species Council''.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Council shall be composed of—

(A) the Secretary of State;

(B) the Secretary of the Treasury;

(C) the Secretary of Defense;

(D) the Secretary of the Interior, who shall be a cochairperson of the Council;

(E) the Secretary of Agriculture, who shall be a cochairperson of the Council;

(F) the Secretary of Commerce, who shall be a cochairperson of the Council;

(G) the Secretary of Transportation;

(H) the Administrator of the Environmental Protection Agency; and

(I) a representative of State government appointed by the National Governors' Association.

(2) OTHER FEDERAL AGENCY REPRESENTATIVES.—The Council may—

(A) invite other representatives of Federal agencies to serve as members of the Council, including representatives from subcabinet bureaus or offices with significant responsibilities concerning invasive species; and

(B) prescribe special procedures for the participation by those other representatives on the Council.

(c) DUTIES.—The Invasive Species Council shall—

(1) provide national leadership regarding invasive species;

(2) oversee the implementation of this title and make recommendations designed to ensure that the activities of Federal agencies concerning invasive species are coordinated, complementary, cost-efficient, and effective, relying to the maximum extent practicable on organizations addressing invasive species, such as—

(A) the Aquatic Nuisance Species Task Force established by section 1201 of the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990 (16 U.S.C. 4721);

(B) the Federal Interagency Committee for the Management of Noxious and Exotic Weeds; and

(C) the Committee on Environment and Natural Resources of the Office of Science and Technology Policy;

(3) encourage planning and action at local, tribal, State, regional, and ecosystem-based levels to achieve the goals and objectives of the Action Plan, in cooperation with stakeholders and organizations addressing invasive species;

(4) develop recommendations for international cooperation in addressing invasive species;

(5) develop, in consultation with the Council on Environmental Quality, guidance to Federal agencies under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) concerning prevention and control of invasive species, including the procurement, use, and maintenance of native species in a manner designed to affect invasive species;

(6) facilitate development of a coordinated network among Federal agencies to document, evaluate, and monitor impacts from invasive species on the economy, the environment, and human health;

(7) facilitate establishment of a coordinated, up-to-date information-sharing system that—

(A) uses, to the maximum extent practicable, the Internet; and

(B) facilitates access to and exchange of information concerning invasive species, such as—

(i) information on the distribution and abundance of invasive species;

(ii) life histories of invasive species and invasive characteristics;

(iii) economic, environmental, and human health impacts from invasive species;

(iv) techniques for management of invasive species; and

(v) laws and programs for management, research, and public education concerning invasive species; and

(8) develop and submit to Congress the Action Plan.

(d) EXECUTIVE DIRECTOR; STAFF.—With the concurrence of the other cochairpersons, the Secretary of the Interior shall—

(1) appoint an Executive Director of the Council; and

(2) provide staff and administrative support for the Council.

SEC. 403. ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—The Secretary of the Interior shall—

(1) establish an advisory committee to provide information and advice for consideration by the Council; and

(2) after consultation with other members of the Council, appoint members of the advisory committee to represent stakeholders.

(b) DUTIES.—The duties of the advisory committee shall include making recommendations for plans and actions at local, tribal, State, regional, and ecosystem-based levels to achieve the goals and objectives of the Action Plan.

(c) COOPERATION.—The advisory committee shall act in cooperation with stakeholders and organizations addressing the problem of invasive species.

(d) ADMINISTRATIVE AND FINANCIAL SUPPORT.—The Secretary of the Interior shall provide administrative and financial support for the advisory committee.

SEC. 404. INVASIVE SPECIES ACTION PLAN.

(a) IN GENERAL.—Not later than 270 days after the date of enactment of this Act, the Council shall develop and submit to Congress a National Invasive Species Action Plan, which shall—

(1) detail and recommend performance-oriented goals and objectives and specific measures of success for Federal agency efforts concerning invasive species;

(2) detail and recommend measures to be taken by the Council to carry out its duties under section 402; and

(3) identify the personnel, other resources, and additional levels of coordination needed to achieve the goals and objectives of the Action Plan.

(b) PUBLIC PARTICIPATION AND COORDINATION.—The Action Plan shall be—

(1) developed through a public process and in consultation with Federal agencies and stakeholders; and

(2) coordinated with any State plans concerning invasive species.

(c) SPECIAL REQUIREMENTS FOR FIRST ACTION PLAN.—

(1) IN GENERAL.—The first Action Plan submitted under subsection (a) shall—

(A) include a review of existing and prospective approaches and authorities for preventing the introduction and spread of invasive species, including approaches for—

(i) identifying pathways for the introduction of invasive species; and

(ii) minimizing the risk of introductions by means of those pathways; and

(B) identify research needs and recommend measures to minimize the risk that introductions will occur.

(2) RECOMMENDED PROCESSES.—The measures recommended under paragraph (1)(B) shall provide for—

(A) a science-based process to evaluate risks associated with the introduction and spread of invasive species; and

(B) a coordinated and systematic risk-based process to identify, monitor, and interdict pathways that may be involved in the introduction of invasive species.

(3) RECOMMENDATIONS FOR LEGISLATION.—If any measure recommended under paragraph (1)(B) is not authorized by law in effect as of the date of the recommendation, the Council shall develop and submit to Congress legislative proposals for necessary changes in law.

(d) UPDATES AND EVALUATIONS OF ACTION PLAN.—The Council shall—

(1) develop and submit to Congress biennial updates of the Action Plan; and

(2) concurrently evaluate and report on success in achieving the goals and objectives specified in the Action Plan.

(e) RESPONSE BY FEDERAL AGENCIES.—Not later than 18 months after the date of submission to Congress of the Action Plan, each Federal agency that is required to implement a measure recommended under subsection (a)(1) or (c)(1)(B) shall—

(1) take the recommended action; or

(2) provide to the Council an explanation of why the action is not feasible.

TITLE V—AUTHORIZATION OF APPROPRIATIONS

SEC. 501. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated such sums as are necessary to carry out this Act.

(b) COMPENSATION.—Except as provided in section 106 and as specifically authorized by law, no part of the amounts appropriated under this section shall be used to provide compensation for property injured or destroyed by or at the direction of the Secretary.

SEC. 502. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER CERTAIN FUNDS.—In connection with an emergency in which a plant pest or noxious weed threatens a segment of the agricultural production of the United States, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department of Agriculture such amounts as the Secretary considers necessary to be available in the emergency for the arrest, control, eradication, and prevention of the dissemination of the plant pest or noxious weed and for related expenses.

(b) AVAILABILITY.—Any funds transferred under this section shall remain available for such purposes until expended.

(c) CONFORMING AMENDMENTS.—The first section of Public Law 97–46 (7 U.S.C. 147b) is amended—

(1) by striking ''plant pests or''; and

(2) by striking ''section 102 of the Act of September 21, 1944, as amended (7 U.S.C. 147a), and''.

SECTION-BY-SECTION ANALYSIS OF THE NOXIOUS WEED COORDINATION AND PLANT PROTECTION ACT

Sections 1, 2, and 3—The first three sections of the bill serve as a ''road map'' to the rest of the legislation. Section 1 consists entirely of the title and table of contents. Section 2 outlines certain findings as to why the legislation is necessary. Section 3 provides the definitions used throughout the rest of the bill.

TITLE ONE—PLANT PROTECTION

Section 101—Outlaws the importation or interstate movement of a plant pest (defined in Section 3 as anything that has the potential to directly or indirectly injure or cause damage to or disease in a plant product) without a permit from the Secretary of Agriculture.

Section 102—Grants USDA the authority to block or regulate the importation or movement of a noxious weed, or other plant, if the Secretary determines that such a prohibition is necessary to prevent the weed's introduction into a new area. In addition, USDA is required to publish a list of noxious weeds that are prohibited from entering the country or whose interstate movement is restricted and allows a procedure to have weeds added to or removed from the list. USDA would also publish a list of control agents which may be transported without restriction.

Section 103—Requires the Secretary of the Treasury (who oversees the Customs Service) to notify USDA of the arrival of any plant or noxious weed upon its arrival at a port of entry and to hold it at the border until it can be inspected and authorized for entry.

Section 104—Authorizes USDA to hold, seize, quarantine, treat, or destroy any noxious weed or plant pest that it finds in violation of this law.

Section 105—Authorizes USDA to declare ''extraordinary emergencies'' when necessary to confront the importation or to

fight the spread of a noxious weed. In addition, the bill outlines what actions are authorized during such an emergency.

Section 106—Allows a plant owner to seek compensation from USDA if the owner ''establishes that the destruction or disposal'' of this plant or other property ''was not authorized under this Act'' if he does so within one year of the action.

Section 107—Makes USDA the federal department in charge of the fight against grasshoppers and Mormon Crickets on all federal lands. In addition to the authority, funds to carry out the program would be transferred from other federal agencies and departments to USDA. It also establishes a cost sharing program in which the federal govenrmetn will assume the entire cost of fighting grasshoppers and Mormon Crickets on federally owned land, one-half of the cost on state owned land, and one-third the cost on private land.

Section 108—Allows the USDA to develop a means by which it can certify plants to be free of pests or noxious weeds.

TITLE TWO—INSPECTION AND ENFORCEMENT

Section 201—Allows USDA inspectors to stop and inspect persons and items entering the country or moving from one state to another in search of noxious weeds or plant pests. In addition, USDA is authorized to seek a warrant to search private premises for weeds and pests.

Section 202—Allows USDA to ''gather and compile information'' needed to carry out its investigations.

Section 203—Authorizes and restricts how USDA may issue a subpoena in its investigations.

Section 204—Establishes criminal and civil penalties for anyone who ''knowingly violates this Act,'' forges or counterfeits a permit, or uses a permit unlawfully. Such a violation would be a misdemeanor punishable with a maximum penalty of 1 year in prison and/or a fine of up to $250,000 (limits are set in the case that the action is taken by an individual [$50,000] or done without the intention of monetary gain [$1,000]).

Section 205—Authorizes the Attorney General to enforce the Act.

Section 206—Locates enforcement at a federal court where the violation occurs or where the defendant lives.

TITLE THREE—MISCELLANEOUS PROVISIONS

Sections 301, 302, and 303—Authorizes USDA to seek cooperation with other agencies, states, associations, and individuals in fulfilling its responsibilities.

Section 304—Stipulates that the regulations against mailing a plant pest or noxious weed included in the bill will not interfere with an employee of the U.S. Postal Service and his responsibility in handling the mail.

Section 305—Authorizes USDA to issue regulations and orders needed to carry out the Act.

Section 306—Repeals federal laws which have been superseded or replaced by the Act.

TITLE FOUR—FEDERAL COORDINATION

Section 401—Provides the definitions used throughout the rest of the title.

Section 402—Establishes a multi-agency Invasive Species Council and outlines the duties of the Council.

Section 403—Directs the Secretary of the Interior to establish an advisory committee to provide information and advice to the Council.

Secton 404—Gives the Council nine months to develop a National Invasive Species Action Plan with public participation and coordination with State plans concerning invasive species.

TITLE FIVE—AUTHORIZATION FOR APPROPRIATIONS

Secton 501—Authorizes Congress to appropriate the funds necessary to carry out the Act.

Section 502—Authorizes the Secretary of Agriculture to transfer other USDA funds to the programs authorized by the Act.●

By Mr. KYL (for himself, Mrs. HUTCHISON, Mr. DOMENICI, Mr. MCCAIN, Mr. GRAMM, Mr. BINGAMAN, Mr. HOLLINGS, Mr. ABRAHAM, and Mr. KYL):

S. 912. A bill to modify the rate of basic pay and the classification of positions for certain United States Border Patrol agents, and for other purposes; to the Committee on the Judiciary.

BORDER PATROL RECRUITMENT AND RETENTION ACT OF 1999

Mr. KYL. Mr. President, I rise today with Senator KAY BAILEY HUTCHISON to introduce the Border Patrol Recruitment and Retention Act of 1999.

In 1996, the Congress passed unanimously, and the President signed, my amendment to the Immigration Reform Act requiring that 1,000 Border Patrol agents be hired each year between the years 1997 and 20001. Last year, Congress provided the Immigration and Naturalization Service with $93 million to hire, train, and deploy 1,000 agents during 1999.

We have now learned that the INS will not come close to hiring the required 1,000 agents during this year; and, in fact, may only hire 200 to 400. As a result, states that need the increased personnel the most will not receive them. Arizona, which itself was slated to receive 400 new agents, will now receive only 100 to 150 new agents. That's not nearly enough. Border Patrol agents in the Tucson sector apprehended 60,537 illegal immigrants last month and seized over 28,000 pounds of marijuana, an all-time record in both areas. Project that annually and then factor in the estimate that 3 times as many illegal aliens successfully cross the border than are apprehended. The situation is so out of control in Arizona that recently, 600 people attempted to cross the border en masse in broad daylight. Some Arizonans are growing so anxious about the upsurge of illegal activity in their community that they have attempted to take matters into their own hands. Unless Arizona is given more federal personnel and resources to get things under control, many are worried about how this situation will develop.

What the INS says is that it is having recruitment and retention problems, and so it cannot take on the added personnel at this time. Couldn't the INS foresee some of these recruitment issues more than two months before now? And couldn't INS do something to correct the problem of recruitment?

We concluded Congress would have to initiate some solutions. Therefore, Senator HUTCHISON and I introduce this bill today to try to begin to address some of the Border Patrol's recruitment and retention problems. It is not a panacea, and we need to continue to explore additional ways of improving recruitment and retention; but it will open the debate and will provide for a much-needed increase in salary levels for the Border Patrol.

Currently Border Patrol agents are, for the most part, capped at a GS–9 level (currently, only about 20 percent of agents, namely those who perform special duties, are raised to the GS–11 level). The Border Patrol Retention and Recruitment Enhancement Act would allow all agents with a successful year's experience at a GS–9 level to move up to a GS–11 level. This would enable agents to move from an approximate $34,000 annually salary to an approximate $41,000 annually salary. And that's fair. These agents have a tough time in their assignments. They must speak two languages. They deserve a raise.

The bill would also establish the Office of Border Patrol Recruitment and Retention, which would allow the Border Patrol to be more involved in recruiting and hiring and will direct the Border Patrol to make policy suggestions about ways to improve recruitment and retention. Currently, the INS and the Office of Personnel Management are responsible for all such activity. We have heard testimony from Border Patrol chiefs who say that the Border Patrol has unique and specific knowledge about how to enhance these efforts.

Mr. President, this bill will not solve all of the Border Patrol's recruiting and retention problems, but it will be a responsible start toward increasing the numbers of agents who will so honorably protect our nation's borders.

Mr. President, I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Thank you, Mr. President. I thank Senator KYL for his leadership on this bill that we have just introduced.

Senator KYL and I, along with Senators DOMENICI, GRAMM, MCCAIN, and BINGAMAN, have been very concerned about the Border Patrol issue that faces our border States. In fact, we were stunned this week to learn that though Congress has authorized and authorized funding for 1,000 new Border Patrol agents that in fact only 200 to 400 are coming on line this year.

Mr. President, that is stunning. That is stunning when you consider that last year the Border Patrol apprehended 1.5 million persons illegally crossing the border, and fully half of those were at my State of Texas. In fact, the McAllen Border Patrol sector, which includes Brownsville, Harlingen and McAllen, had the largest number of drug seizures of all Border Patrol Sectors in the United States—1,610 drug seizures just in that one sector. The drugs apprehended have a value of over $410 million. Two Border Patrol agents in the McAllen sector lost their lives last year in a raid of a drug trafficker's hideout. It was the first time Border Patrol agents had been killed during such a raid.

Senator ABRAHAM held a hearing this week, and the Chief of the Border Patrol told us that he has not been able to recruit and retain and, in fact, is losing 10 percent of the agents. For every one that we are bringing on, we are losing two, because our Border Patrol agents are capped at a journeymen-9 level. That translates to roughly $34,000 a year for an agent that has several years of experience. For an agent, that is certainly a job of law enforcement at its toughest.

Under the bill that we have just introduced, the agents would be eligible to be paid at a journeymen-11 level, which is approximately a $7,000 increase.

This pay raise is also consistent with the pay of other law enforcement agencies that work along the border. One significant problem for the Border Patrol has been that many agents go to work for the Customs Service, or the DEA when they reach the cap. So they get to their cap, their experience, and they go over to another Federal agency that pays better.

We must solve this discrepancy among Federal agencies in the same place that are doing similar kinds of tough duty work for hazardous pay. Yet, the Border Patrol is $7,000 less than Customs and DEA agents. We must correct this discrepancy if we are going to get control of our borders, which are a sieve right now with drugs moving through at an alarming rate.

This is not just a Texas-Arizona-New Mexico-California problem. The drugs that come in from our borders go right up into Ohio, Michigan, New Hampshire, Oregon—all over our country, because we don't have the proper control of our border.

Mr. President, there is not a higher priority for the Federal Government than to have the sovereign borders of the United States safe from illegal drugs coming into our country, and most certainly illegal immigrants that have not gone through the proper procedures so that we know who is coming into our country and what their record is so that we have the control that any sovereign nation would have.

Mr. President, this is an emergency. It is why Senator KYL and I have introduced this legislation today, because we are in a crisis. This is a war. It is a war on drugs, and we are losing. We are losing our young people in this country. Part of the problem is that we are not putting the resources into law enforcement.

I have to say, Mr. President, that I am disappointed to the maximum that our INS has money from Congress and authorization from Congress to hire 1,000 agents and they have only been able to come up with 200 to 400 agents this year. That means we are 600 to 800 short, as we speak, from what was allocated this year, and which was given priority by Congress. I think the INS needs to make this a priority. We are going to give them the pay increases with the bill that we have just introduced today.

Senator GREGG, who has been a strong supporter of our efforts to beef up the border, has said he will work with us to reprogram money from this year's budget for these pay increases so that we will hopefully be able to do this on an expedited basis by October 1 of this year.

Hopefully, we will be able to retain agents knowing that this pay raise is in the pipeline. But, Mr. President, it also takes an effort by the INS to make it a priority to fill these slots, because if they don't look at a little more creative approach to recruiting, the $7,000 increase is not going to be enough.

I am at my wit's end. Senator KYL, Senator MCCAIN, Senator GRAMM, Senator DOMENICI, and Senator BINGAMAN are at their wit's end, and certainly Senator FEINSTEIN and Senator BOXER are at their wit's end with promises made and not fulfilled by the Border Patrol to keep the illegal drugs out of our country that are preying on our young people.

This is a priority. It is an emergency. It is a war that we are losing, and we are going to try to fix it. But we must have the support of the INS to do it. We are going to give them pay raises. We are going to create another office in the Border Patrol for recruitment and retention to tell us what else we need to do, and we are going to fix this problem if we can have a hand-to-hand relationship with the INS and the Border Patrol.

It is inexcusable that they did not come to us earlier to tell us they were this far behind. We are going to fix this problem. We are not going to sit back and let the children of our country be absorbed in drugs that are illegally crossing the border and made available to young people who are not yet mature enough to know what to do when they are approached.

Mr. President, we are trying to do our part. I call on the INS and the Border Patrol and this administration to do their part, because we are not going to take it anymore. We are going to solve this problem. We are going to put the resources in it. If the INS will put those resources to work and be creative and innovative and dogged in their determination, we will make a difference, but we can't do it without their commitment.

Thank you, Mr. President.

Mr. HOLLINGS. Will the distinguished Senator yield?

Mrs. HUTCHISON. I yield to the Senator from South Carolina.

Mr. HOLLINGS. I thank the Senator for the introduction. I ask unanimous consent that I be made a cosponsor.

Mrs. HUTCHISON. I would be pleased to add Mr. HOLLINGS as an original cosponsor.

Mr. HOLLINGS. I would like to say a word about this particular problem.

Is the Senator yielding the floor?

Mrs. HUTCHISON. I thank the Senator from South Carolina, because he has provided leadership and support in our committee and because he has the training agency that is sitting empty right now in his State. They do a great job training our agents. He knows what a problem this is. I look forward to his remarks. I appreciate his support, and I appreciate his leadership in the past on trying to help us recruit. I think this is something that is in the interest of all of us to solve so that every school in America will be drug free.

I yield the floor.

Mr. HOLLINGS. Mr. President, let me thank the distinguished Senator from Texas. She is right on target. We have graduated over 2,000 agents from the finest school down there for Border Patrol agents. Two who trained there have already been killed.

I have visited from time to time. The matter of pay is the issue. We advertise and we solicit in the local area over the entire State—and nationally—and it is a pay problem.

I hope we can confront it.

Mr. MCCAIN. Mr. President, I join Senator KYL and the other co-sponsors in introducing legislation that I hope will significantly improve the Border Patrol's ability to recruit and retain the talented individuals we need to guard our nation's borders against illegal immigration and illicit drugs. This legislation is timely and important. I hope we can act on it promptly.

As my colleagues know, the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 mandated the addition of 1,000 new Border Patrol agents annually through 2001 as a means of providing better enforcement against illegal immigration, particularly along the southwest border. Unfortunately, this Administration has seen fit to request full funding for those authorized agents in only one year since we passed that law.

Moreover, problems in recruiting and retaining Border Patrol agents have resulted in a net increase of only several hundred new agents annually. Thus, during the current fiscal year, for which we did in fact appropriate funds for 1,000 new agents, the recruiting and retention problems are such that the Border Patrol will see a net increase in its ranks of only several hundred agents. Indeed, Border Patrol Chief Gus de la Vina testified before the Senate Immigration Subcommittee only yesterday that, despite the Congressional mandate to add 1,000 new agents this year, the Border Patrol only anticipates hiring between 200 and 400 agents. Arizona, which had anticipated receiving about 400 of the 1,000 new agents slated for FY 1999, will now receive fewer than 150. We can and must do better than that.

The Border Patrol's Tucson sector last month recorded a record 60,537 illegal immigrant detentions, raising this year's total to more than 200,000. And the Tucson sector does not even cover the entire Arizona border with Mexico. The immigration problem in my state is getting worse, not better, as the President's decision to request funding for no new agents in FY 2000 implies.

The Border Patrol's inability to hire the required number of new agents even as towns like Douglas, Arizona face a rising tide of illegal immigrants does not inspire confidence in its ability to properly carry out its mission.

Our legislation would promote all Border Patrol agents who have completed at least one year at the GS–9 level, and who are rated as fully successful or higher, to the GS–11 rank, placing them on a professional level commensurate with their peers in other Federal law enforcement agencies. Our bill would also create an Office of Border Patrol Recruitment and Retention to develop outreach programs for prospective Border Patrol agents, develop programs to provide retention incentives, and make recommendations about Border Patrol salaries and benefits. It is our hope that this legislation will help reverse the outflow of skilled agents from the Border Patrol, as well as make such service more appealing to the talented men and women it relies on.

America's Border Patrol agents perform critical work but have been underappreciated for years. It's time we changed that. The premise of our legislation is the Border Patrol agents, whose duties involve considerable risks and require unique abilities, perform work as important as many of our other Federal law enforcement agents and should be compensated accordingly. Similarly, the Border Patrol should develop personnel policies to attract more of our best and brightest. At a time when we are having trouble hiring and retaining new agents, and as pressure from illegal immigration intensifies in some areas, especially southern Arizona, we cannot afford not to take better care of the men and women of the U.S. Border Patrol. Our legislation makes meaningful progress toward that end.

By Ms. COLLINS (for herself and Ms. SNOWE):

S. 913. A bill to require the Secretary of Housing and Urban Development to distribute funds available for grants under title IV of the Stewart B. McKinney Homeless Assistance Act to help ensure that each State received not less than 0.5 percent of such funds for certain programs, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE HOMELESSNESS ASSISTANCE FUNDING FAIRNESS ACT

Ms. COLLINS. Mr. President, I rise today to introduce the Homelessness Assistance Funding Fairness Act. I introduce this bill in conjunction with my House colleague, Congressman JOHN BALDACCI, who is sponsoring a companion bill in the House. Congressman BALDACCI and I have been working on issues involving the homeless for some time, in our attempt to devise an approach that will distribute federal funds more equitably and effectively.

Congress has taken important steps to begin to address the root causes of homelessness in America. Some of the most important are the Continuum of Care programs which provide grants that link neighborhood partnerships and community services with shelter. The goal of Continuum of Care programs is self-sufficiency for people who are homeless, an approach that goes well-beyond the ''band aid'' solutions of yesteryear which provided the homeless only a bed for the night. Continuum of Care programs support treatment and counseling programs in conjunction with shelter, recognizing the hard reality that many homeless people must overcome serious substance abuse, addiction, and mental health problems before a life of permanent housing and stability is possible.

Under the leadership of VA–HUD Appropriations Subcommittee Chairman BOND, Congress has recognized the great importance of Continuum of Care programs, and has risen to the challenge to provide this broad spectrum of care by appropriating $975 million last year for homeless assistance grants, a large portion of which are Continuum of Care grants.

Although the strategy behind the Continuum of Care grant programs has been saluted for its logic, the Department of Housing and Urban Development's administration of the competitive award process that allocates this funding has not been similarly celebrated.

The unfortunate experience of the State of Maine last year is illustrative of the problems in the distribution of funding. Maine submitted two Continuum of Care grant applications in 1998, one to address the needs of the City of Portland, and another to serve the needs of much of the remainder of the state.

In December 1998, HUD announced the Continuum of Care grant recipients and Maine was shocked to learn the State would receive no funding through the grant process. After some investigation, my office determined that the scores for both the Maine applications were within two points of a passing grade. Nevertheless, Continuum of Care HUD homeless assistance funding distributed to Maine went from $3.7 million to zero, despite the fact that in 1998 Secretary Cuomo had awarded programs which received funding through the Continuum of Care program the ''best practices'' award of excellence.

Following a vigorous public campaign by Maine residents, and the repeated intervention of Maine's congressional delegation, HUD provided a small portion of the original request to the City of Portland outside the competitive process. The money, though welcomed, was far from enough to allow Portland to meet the needs of its homeless population.

The human cost of this bureaucratic determination is immense. In light of the ongoing needs of the homeless in Maine, as well the often harsh weather conditions in our region of the country, HUD's decision was particularly troubling.

The experience of the state of Maine has convinced me not only of the critical need for funding of these projects, but also of the need to re-evaluate the process for distributing these funds. No state should be wholly shut out of the funding award process, because it is an unfortunate reality that all states have homeless people with significant needs.

In response to the unfortunate experience of the State of Maine last year, the legislation I am proposing specifically directs the Department of Housing and Urban Development to provide a minimum percentage of Continuum of Care competitive grant funding to each state. This will create a safety net for the homeless of each state, without ending the competitive process that recognizes programs of special merit or need. My legislation also directs HUD to distribute this funding to a state's priority programs should the state only receive this mandatory minimum.

This legislation is not only driven by basic questions of fairness to all states, but by the significant and often forgotten needs of homeless people living in rural America.

The problem of homelessness is often mischaracterized as an exclusive problem of urban areas. However, homelessness in Maine, and in many rural communities across our country, is a large and growing problem. From 1993 to 1996, Maine experienced an increase in its homeless population of almost 20%—it is estimated that more than 14,000 people are homeless in my home state today. In a state of only 1.2 million people, this is a troubling percentage of the population.

A recent article in the Christian Science Monitor perhaps said it best: ''If the urban homeless are faceless and nameless. . . then the rural homeless are practically invisible.'' However, Mr. President, that does not mean they do not exist. Unlike homeless individuals in urban areas who are seen on busy streets everyday, rural individuals living in poverty often subsist in relative isolation.

The 27,000 Maine households with incomes of less than $6,000 annually teeter on a shadowy brink where income cannot guarantee shelter. When fortune turns sour, it is these families who find themselves without decent shelter. When substance abuse or mental illness afflicts the parents, the likelihood of homelessness escalates. Indeed, in Maine, 24 percent of visitors to Maine homeless shelters are families with children.

The problem of providing services to homeless people is compounded by many challenges. In some areas of Maine, geographic isolation is the most critical obstacle to receipt of services; in others, rising housing costs makes obtaining housing exceedingly difficult for the marginally employed. Both these circumstances are compounded by the significant substance abuse and mental health problems prevalent among the homeless population in Maine as in all areas of the country.

I am proud to say that the people of Maine have developed many innovative programs to assist our homeless population. Through programs like the Bangor Area Homeless Shelter, which fills the immediate needs of outreach, shelter and counseling to area homeless, and more long term programs like Shalom House, which provides services and shelter for the mentally ill, the Preble Street Resource Center, which provides job training, social services and medical care among its many services, and the YWCA, which provides programs to assist teen age moms, Mainers have worked hard to reach out and assist those in need and to provide effective care and outreach for Maine's homeless people.

I recently had the opportunity to visit with the staff and clients of a shelter in Alfred, Maine, that is making a real difference in the lives of homeless men and women. As one man who has battled both severe alcoholism and mental illness told me, ''The people at this shelter saved my life. Without their help, I'd be dead on the street. But now, I can see a future for myself.'' Significantly, 90 percent of the homeless people served by this York County Shelter face serious problems with substance abuse or mental illness.

These programs, and others like them, depend on federal funding, and its unexpected loss last year has left my state scrambling to make up for this serious shortfall. I hope you will join me in supporting this legislation that will prevent other states from facing this same misfortune. All states deserve at least a minimum percentage of homeless funding available through the Continuum of Care grants, because no state has yet solved the problems faced by its homeless men, women and children.

Ms. SNOWE. Mr. President, I rise in support of legislation being introduced by my colleague from Maine, Senator COLLINS, the Homeless Assistance Funding Fairness Act.

This bill will set a minimum allocation for state homeless funding by the U.S. Department of Housing and Urban Development (HUD) in an effort to prevent future repeats of a situation that Maine faced this year when HUD denied applications for homeless funding from the Maine State Housing Authority and the city of Portland, Maine's largest city.

Maine was one of just four states denied funding this year under HUD homeless programs—and that is a situation that no state should have to endure. HUD took steps to partially rectify this situation since the original announcement, but this legislation will assure minimum funding for every state and assure a fairer allocation of funding in the future. The legislation requires HUD to provide a minimum of 0.5 percent of funding to each state under Title IV of the Stewart B. McKinney Homeless Assistance Act.

Mr. President, it may interest my colleagues to learn a little more about the problem that inspired this legislation. In January, HUD issued grant announcements for its Continuum of Care program—which provides rental assistance for those who are or were recently homeless—but denied applications by the Maine State Housing Authority and by the city of Portland, leaving the state one of only four not to receive funds.

The Maine congressional delegation immediately protested the decision to HUD Secretary Andrew M. Cuomo, and I wrote and spoke repeatedly with Secretary Cuomo about the decision—to encourage HUD to work with Maine homeless providers to find an acceptable solution. I also contacted the Senate Appropriations Subcommittee on Veterans' Affairs and Housing and Urban Development and asked committee members to examine the issue as well.

HUD officials restored about $1 million in funding to the city of Portland, but refused to restore State homeless funding. In 1998, Maine homeless assistance providers received about $3.5 million from the Continuum of Care Program, and this year the State had requested $1.2 million for renewals and $1.27 million to meet additional needs. MSHA, which coordinates the program, estimates that many individuals with mental illness or substance abuse problems who have been receiving rent subsidies will lose those subsidies over the course of the next six months as a result of HUD's failure to fund Maine programs. This in spite of the ''proven track record'' of Maine homeless programs, including praise by Secretary Cuomo during his visit to Maine in August 1998.

Without this homeless assistance, basic subsidized housing and shelter programs suffer, and it is more difficult for the State to provide job training, health care, child care, and other vital services to the victims of homelessness, many of whom are children, battered women, and others in serious need.

In 1988, 14,653 people were temporarily housed in Maine's emergency homeless shelters. Alarmingly, young people account for 30 percent of the population staying in Maine's shelters, which is approximately 135 homeless young people every night. Twenty-one percent of these young people are between 5½ with the average age being 13. Meanwhile, Maine earmarks more funding per capita for the elderly, disabled, mentally ill, and poor for services and support programs then the majority of other states, even though it ranks 36th nationwide in per capita income.

In closing, I would simply reiterate that Maine was not the only state that was frozen out of the process this year. Without congressional intervention, what state will be next? This makes it all the more important that changes be made to our homeless policy to ensure that no state falls through the cracks. As such, I urge my colleagues to join Senator COLLINS and myself in a strong show of support for this legislation.

By Mr. SMITH of New Hampshire (for himself, Ms. SNOWE, Mr. WARNER, Mr. VOINOVICH, Ms. COLLINS, Mr. ABRAHAM, Mr. ROBB, Mr. HAGEL, and Mr. LUGAR):

S. 914. A bill to amend the Federal Water Pollution Control Act to require that discharges from combined storm and sanitary sewers conform to the Combined Sewer Overflow Control Policy of the Environmental Protection Agency, and for other purposes; to the Committee on Environment and Public Works.

COMBINED SEWER OVERFLOW CONTROL AND PARTNERSHIP ACT OF 1999

Mr. SMITH of New Hampshire. Mr. President, I would like to take a few minutes to introduce important environmental legislation that will have a significant and positive impact on our nation's waterways. Today, along with my colleague from Maine, Senator SNOWE, and seven other cosponsors, I am introducing the Combined Sewer Overflow Control and Partnership Act of 1999.

While the title of this bill, indeed, the subject matter itself, may not be the most exciting, front-burner policy issue of the day, the control of overflows from sewer systems is a serious environmental and financial concern for hundreds of communities across this country. For my own state of New Hampshire, there are six communities with combined sewer overflow, or CSO, problems. The cities of Manchester, Nashua, Portsmouth, Exeter, Berlin, and Lebanon are all facing this challenge.

I have worked closely with the mayors of these cities over the past several years and have seen first-hand the environmental problems. This legislation is aimed at helping CSO communities comply with Clean Water Act mandates to reduce or eliminate overflows into nearby rivers and streams. CSOs are the last permitted point source discharges of untreated or partially treated sewage into the nation's waters. For those colleagues who don't have CSO communities in their states, I'll briefly explain what they are.

Combined sewer systems collect sanitary sewage from homes and office buildings during periods of dry weather for conveyance to wastewater treatment plants for treatment. However, these systems also receive storm water during wet weather, which typically causes a hydraulic overload of the system, triggering the discharge of untreated wastewater to receiving waters through combined sewer overflow outfalls. Not a pleasant sight.

Most combined systems were installed at the turn of the century when they were state-of-the-art sewer technology, mainly in the Northeast and Midwest regions of the country. Controlling or eliminating CSO discharges is an enormously expensive proposition

that often requires communities to completely rebuild their sewer systems. The national cost estimates to complete this job range from $50 billion to $100 billion. Compounding the sheer financial magnitude of the CSO problem is the fact that the vast majority of the approximately 1,000 CSO communities nationwide have less than 10,000 residents, or ratepayers. These ratepayers could pay hundreds of dollars more per year on their water bills without this legislation. With these statistics, it is not surprising that a CSO control program often poses the single largest public works project in a CSO community's history.

Although the Federal Clean Water Act does not specifically speak to the issue of combined sewers, it has been interpreted to require the control and treatment of CSO discharges. Recognizing the financial burden this would pose on small towns, in 1994, the Environmental Protection Agency issued the ''Combined Sewer Overflow Policy,'' which allowed CSO control programs to be developed in the most cost-effective, flexible and site-specific manner possible. This policy was developed with the input from many stakeholders, including local governments, environmental groups, and engineering firms, and was viewed as a major step forward in tackling this problem through commonsense means.

Unfortunately, this policy is just an administrative policy and lacks statutory authority. So, one of the most important provisions of this bill would essentially codify or affirm EPA's CSO Policy. This provision will give CSO communities the legal protection and regulatory relief they so desperately need. A key component of the CSO Policy is to ensure that water quality standards are consistent with whatever CSO control plans are mandated.

The second part of the bill sets up a partnership between the Federal Government and our local governments by authorizing five years of funding assistance for these communities. While there is a State revolving loan fund under the Clean Water Act that provides loan assistance to municipalities for water treatment, the SRF cannot possibly meet the needs of these CSO communities. The financial burden of CSO control programs generally far exceed the capacity of local ratepayers to assume the full cost.

I emphasize that ratepayers cannot assume the full cost of these programs.

While this bill does authorize new funding assistance, I do not intend for this funding to increase EPA's overall budget. As many of my colleagues are aware, numerous earmarks for CSOs or other public works projects are frequently included in appropriations bills. I am hoping that the existence of a CSO assistance program at EPA will discourage the practice of earmarking specific projects and seek competitive funding through this program.

In conclusion, Mr. President, I would like to add that this legislation has been endorsed by the CSO Partnership, a recognized coalition of CSO communities and mayors. I would also like to thank Senator SNOWE for her support and assistance on this legislation, as well as the other original cosponsors: Senators WARNER, VOINOVICH, COLLINS, ABRAHAM, ROBB, HAGEL, and LUGAR. I am hopeful that we will have an opportunity to consider this legislation in the Environment and Public Works Committee and the full Senate sometime this year. It is both proenvironment and procommunity and I ask for my colleagues support and welcome their cosponsorship.

By Mr. GRAMM (for himself, Mrs. HUTCHISON, Mr. MACK, and Mr. COVERDELL):

S. 915. A bill to amend title XVIII of the Social Security Act to expand and make permanent the Medicare subvention demonstration project for military retirees and dependents; to the Committee on Finance.

LEGISLATION EXPANDING AND MAKING PERMANENT THE MEDICARE SUBVENTION DEMONSTRATION PROJECT FOR MILITARY RETIREES AND DEPENDENTS

Mr. GRAMM. Mr. President, along with Senators KAY BAILEY HUTCHISON, CONNIE MACK, and PAUL COVERDELL, I am introducing legislation today which will expand the opportunities for military retirees to use their Medicare coverage to pay for treatment at military medical facilities. By giving our military retirees this option, we fulfill a health care promise that America has made to every man and woman who has retired from our armed forces after a career of exemplary service.

Upon retirement after twenty or more years of military service, our nation promises to provide military health care to our retirees for the rest of their lives. This promise is one of the most important commitments our country makes to its military retirees. Unfortunately, for many military retirees age 65 and over, this promise is being broken. More and more of the 65 and over retirees have found themselves unable to receive care on a space-available basis at their local military medical facility. For these retirees, America's promise of health care for life is not being honored.

Ironically, many of these military retirees are entitled to Medicare in addition to their military health care eligibility. An estimated 1.2 million Americans fit into this ''dual-eligible'' category, with over 300,000 of them regularly using military medical treatment facilities for their health care. The result is that the Department of Defense effectively subsidizes Medicare at the rate of approximately $1.4 billion per year to treat these dual-eligible beneficiaries.

As a first step toward fulfilling America's promise to military retirees 65 and over, Congress passed my proposal for a three-year demonstration project as part of the Balanced Budget Act of 1997. Under this demonstration project, known as Medicare Subvention, over 28,000 dual-eligible military retirees are being treated in military facilities at selected test locations across the country. For these retirees, Medicare is reimbursing the Department of Defense up to 95% of the amount Medicare would pay Health Maintenance Organizations for similar care. Unfortunately, the limited scope of the demonstration project means that the majority of dual-eligible retirees are still unable to receive the treatment they have earned at the military facilities in their hometowns.

The bill we introduce today will keep the health care promise America made to her military retirees 65 and over by expanding the demonstration project and by ultimately making Medicare Subvention permanent across the country. Specifically, this bill will expand the test locations for the demonstration project to 16 sites effective January 1, 2000. At these 16 sites, the demonstration project will become permanent. In addition, on October 1, 2002, the bill expands Medicare Subvention to any military medical treatment facility approved by the secretaries of Defense and Health and Human Services.

This bill not only fulfills commitments America made in the past, it gives meaning and credibility to promises America is making to our military service members today. If America does not keep her word to those served during World War II, Korea, Vietnam, and the cold war, how can we expect America's best and brightest to dedicate their careers to serve this country in the future? We must act now to ensure that America's defense in the future will be as strong as it has been in the past. I ask my colleagues to support this important legislation. Mr. President, I ask unanimous consent that the text of a letter of support for the bill, signed by the Military Coalition, which is a consortium of military and veterans associations, be printed in the RECORD.

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

THE MILITARY COALITION,
Alexandria, VA, April 27, 1999.

Hon. PHIL GRAMM,
U.S. Senate,
Washington, DC.

DEAR SENATOR GRAMM: The Military Coalition, a consortium of military and veterans associations representing more than five million current and former members of the uniformed services, plus their families and survivors, is very grateful for your leadership in developing legislation to expand and make permanent TRICARE Senior Prime (the Medicare Subvention demonstration project for Medicare-eligible uniformed services beneficiaries). TRICARE Senior Prime has been successfully implemented in all of the demonstration sites and, by all accounts, has been very well received by eligible beneficiaries at each site. The Department of Defense has also expressed a strong desire to expand this program to other sites across the country wherever feasible. Your initiatives to expand TRICARE Senior Prime to ten additional locations by January 1, 2001 and

then across the remaining TRICARE Prime catchment areas not later than October 1, 2002 clearly meets a critical need for our Medicare-eligible beneficiaries.

The Military Coalition is particularly pleased that your bill takes the additional step of making TRICARE Senior Prime a permanent program. The Coalition has been concerned that some older retirees have refrained from participating in TRICARE Senior Prime because of their perception that the temporary nature of the demonstration program could place participants at financial risk. Beneficiaries need assurance that this program will not disappear abruptly as so many of their other health care benefits have, especially since TRICARE Senior Prime is an integral part of fulfilling the promise of health care for life for uniformed services beneficiaries. Your bill takes a great step toward providing retirees this assurance.

The Military Coalition is also pleased that your legislation would authorize non-enrollees to use TRICARE Senior Prime services on a ''fee-for-service'' basis. The Military Coalition believes this would be particularly useful for the Department of Defense, as well as beneficiaries, especially at some of the smaller facilities with little or no inpatient capabilities where it might be difficult to implement a Medicare HMO program.

The Military Coalition wholeheartedly endorses your bill, and will take whatever steps are necessary to encourage other members of the Senate to co-sponsor this bill and have it enacted as soon as the data from the existing test sites validate that Medicare subvention is as valuable to DoD, Medicare and the beneficiaries as we believe it is.

Sincerely,

THE MILITARY COALITION.

(Signatures of Associations enclosed).

Air Force Association, Air Force Sergeants Association, Army Aviation Assn. of America, Assn. of Military Surgeons of the United States, Assn. of the US Army, Commissioned Officers Assn. of the US Public Health Service, Inc., CWO & WO Assn., US Coast Guard, Enlisted Association of the National Guard of the US, Fleet Reserve Assn., Gold Star Wives of America, Inc., Jewish War Veterans of the USA, Marine Corps Reserve Officers Assn., National Guard Assn. of the US, National Military Family Assn., National Order of Battlefield Commissions, Naval Enlisted Reserve Assn., Naval Reserve Assn., Navy League of the US, Reserve Officers Assn., Society of Medical Consultants to the Armed Forces, The Military Chaplains Assn. of the USA, The Retired Enlisted Assn., The Retired Officers Assn., United Armed Forces Assn., USCG Chief Petty Officers Assn., US Army Warrant Officers Assn., Veterans of Foreign Wars of the US, and Veterans' Widows International Network, Inc.

Mr. COVERDELL. Mr. President, today I am proud to join my esteemed colleagues in introducing a bill that will expand and make permanent the Medicare Subvention demonstration program passed as part of the 1997 Balanced Budget Agreement. I worked with Senator GRAMM to pass that measure then and I am pleased to join him again today to move this program to its next level.

Military retirees have had an increasingly difficult time obtaining the lifetime health care they were promised in return for 20 years of service to their country. The problem, largely, has been access. The number of military hospitals has decreased dramatically since the end of the cold war and TRICARE/CHAMPUS, the health care plan created to assist military retirees, not only is not available to a military retiree who is Medicare eligible, but also when it is available its reimbursement rates are so low many private practitioners will not accept it, forcing military retirees back into military hospitals on a ''space available'' basis. Mr. President, you can see the vicious cycle this creates. Simply, put, military retirees are being shut out of the military health care system.

Congress, in turn, has been looking for solutions to this lack of access. Last year I cosponsored a commonsense measure with Senator THURMOND. Our simple proposal would have given military retirees the option to enroll in the Federal Employees Health Benefits Plan, the same plan in which you and I and our staffs are enrolled, Mr. President. Congress acted on this idea by creating an FEHBP demonstration program. While not a total solution, the program has moved us in the right direction.

Another commonsense measure, Mr. President, is Medicare Subvention. Currently, Medicare does not reimburse the Defense Department for health care services. This makes little sense considering that Medicare would reimburse any other private physician or medical care provider. If a Medicare-eligible military retiree lives near a military hospital he cannot use his Medicare and he cannot use TRICARE. He must find another insurance provider to help pay for his medical care. This is why, Mr. President, we passed a test of the Medicare Subvention in the 105th Congress.

Now we hope to move this concept forward. It is my understanding that while the program is working, the connotation of the word ''test'' is deterring military retirees who might otherwise enroll in a program they know to be permanent. This bill would solve that problem. Our bill also provides a fee-for-service Medicare option at certain Military Treatment Facilities if this would be a more cost effective approach for those facilities.

Mr. President, this bill enjoys widespread support. The Military Coalition strongly favors an expansion of the Medicare subvention test. My colleague from Texas, Senator GRAMM introduced for the RECORD a letter from the Coalition supporting this bill. Further, Congressman HEFLEY's bill in the House has already garnered 69 cosponsors. I believe this is a proposal Congress should move forward.

Congress must continue to increase access to health care for our nation's military retirees. Medicare subvention is a commonsense approach to achieving this end. Thus far, based on the demonstration program, the parties involved feel that Medicare Subvention has been a success. Now we must let our military retirees know that when they enter this program the Government will not leave them in the lurch. This bill will do exactly that.

By Mr. GRAMS (for himself, Mr. FEINGOLD, Mr. FITZGERALD, Mr. ABRAHAM, Mr. KOHL, Mr. HAGEL, Mr. DURBIN, Mr. ALLARD, Mr. CRAIG, Mr. CONRAD, and Mr. WELLSTONE):

S. 916. A bill to amend the Agricultural Market Transition Act to repeal the Northeast Interstate Dairy Compact provision; to the Committee on Agriculture, Nutrition, and Forestry.

DAIRY COMPACT REPEAL LEGISLATION

Mr. FEINGOLD. Mr. President, I rise to join the Senator from Minnesota, Senator GRAMS, in introducing a measure to repeal the Northeast Interstate Dairy Compact. The Northeast Dairy Compact was included in the 1996 farm bill during conference negotiations after it had been struck from the Senate version of the farm bill during floor consideration.

Mr. President, support of this legislation is especially crucial as compact proponents have recently introduced a measure to make permanent and expand the Northeast Interstate Dairy Compact and establish a southern dairy compact. In other words, a measure devised to control three percent of the country's milk is now seeking 40% of the country's milk. The cost to consumers, taxpayers, and farmers outside the compact region are enormous.

Mr. President, the Northeast Interstate Dairy Compact bill of 1996 established a commission for six Northeastern States—Vermont, Maine, New Hampshire, Massachusetts, Rhode Island, and Connecticut—empowered to set minimum prices for fluid milk above those established under Federal Milk Marketing Orders. This sort or compact was unprecedented and unnecessary because the Federal milk marketing order system already provided farmers in the designated compact region with minimum milk prices higher than those received by most other dairy farmers throughout the nation. But they wanted more.

This compact not only allows the six States to set artificially high fluid milk prices for their producers, it also allows those States to keep out lower priced milk from producers in competing States and provides processors within the region with a subsidy to export their higher priced milk to non-compact States.

Mr. President, the arguments against this type of price-fixing scheme are numerous: It interferes with interstate commerce by erecting barriers around one region of the Nation; It provides preferential price treatment for farmers in the Northeast at the expense of farmers nationally and may now extend that privilege to the south; It encourages excess milk production in one region without establishing effective supply control that drives down milk prices for producers throughout the country; It imposes higher costs on the

millions of consumers in the Compact region; It imposes higher costs to taxpayers who pay for nutrition programs such as food stamps and the national school lunch programs which provide milk and other dairy products and as a price-fixing mechanism, the compact it is unprecedented in the history of this Nation.

Most important to my home State of Wisconsin, Mr. President, is that the Northeast Dairy Compact exacerbates the inequities within the Federal milk marketing orders system that already discriminates against dairy farmers in Wisconsin and throughout the upper Midwest. Federal orders provide higher fluid milk prices to producers the further they are located from Eau Claire, WI, for markets east of the Rocky Mountains.

Wisconsin farmers have complained for many years that this inherently discriminatory system provides other regions, such as the Northeast, the Southeast, and the Southwest with milk prices that encourage excess production in those regions. Of course, that excess production drives down prices throughout the Nation and results in excessive production of cheese, butter, and dry milk.

Cheese and other manufactured dairy products constitute the pillar of our dairy industry in Wisconsin. Competition for the production and sale of these products by other regions spurred on by artificial incentives under milk marketing orders has eroded our markets for cheese and other products.

Mr. President, my State of Wisconsin loses more dairy farms each year than any other state. A recent survey by the National Milk Producers Federation revealed that, between 1993 and 1998, Wisconsin lost over 7000 dairy farms—that's three dairy farms a day! The number of manufacturing plants has declined from 400 in 1985 to less than 230 in 1996. These losses are due in part, to the systematic discrimination and market distortions created by Federal dairy policies that provide artificial regional advantages that cannot be justified on any rational economic grounds.

Lets look at their arguments: They claim this legislation is necessary to save their small dairy farmers, yet the bill does not target small operations. One year after the compact began, New England dairy farms went out of business at a 41% faster rate than in the prior two years.

They also claim that consumers in their regions are willing to pay a higher price at the grocery store as a result of the compact. However, studies show that higher milk prices at the retail level result in a decline in milk consumption at home. According to economists, a 10% increase in price can lead to as much as an 8% decline in consumption. The spread of dairy compacts to include half of the U.S. population in the Northeast, the South and parts of the Midwest could drive up milk prices as much as 20%.

Mr. President, my colleague from Minnesota, Senator GRAMS and I are on the floor today offering this legislation because the Northeast Dairy Compact reinforces the outrageous discrimination that has so wounded the dairy industry in our States. We have fought to change Federal milk marketing orders and we will fight to prevent the Northeast Dairy Compact from becoming permanent and expanding, and prevent the authorization of a southern compact. We will do all of these things in the name of basic fairness, simple justice and economic sanity in the marketplace. Upper Midwest dairy farmers have been bled long enough.

When prices fall, as they have recently, all farmers feel the stress. Why should one farmer in a region arbitrarily suffer or benefit more than another farmer on a similar operation in another region because of this artificial finger on the scale called the compact. Regional inequities are the inherent assumption of compact proponents and a basic economic premise of the compact idea. Shouldn't we be working together to make conditions better for all dairy producers? Why should one region, and now multiple regions be treated differently?

And yet the Northeast Compact provides price protection for dairy farmers in six States, insulating them from market conditions which ordinary non-compact farmers have to live with. Compact proponents have never been able to explain how conditions in the Northeast merit greater protection from market price fluctuations than other regions of the country. The fact that there are no compelling arguments made in favor of the compact that justified special treatment for the Northeast was emphasized by a vote in the full Senate to strike the compact from the 1996 farm bill. It was the only recorded vote on approval or disapproval of the Northeast Dairy Compact—and it killed the compact in the Senate. The way in which the compact was ultimately included in the 1996 farm bill also illustrates the weak justification for its approval. Let me remind my colleagues that the compact was never included in the House version of the farm bill and yet emerged as part of the bill after a closed door Conference negotiation. Legislation which is patently unfair and difficult to defend must frequently be negotiated behind closed doors rather than in the light of day.

Even the Secretary of Agriculture, after approving the compact, was unable to come up with an economic justification for the compact. The Secretary's finding of 'compelling public interest' as a basis for justifying his approval of the compact was so weak and unsupported by the public record that a suit was filed by compact opponents in Federal court charging that the Secretary violated the Administrative Procedures Act.

Mr. President, authorizing dairy compacts is bad public policy because it increases costs to taxpayers and consumers and currently only benefits a few in privileged regions. It is bad dairy policy because it exacerbates regional discrimination of existing Federal milk marketing orders by providing artificial advantages to a small group of producers at the expense of all others. And it is bad economic policy because it establishes barriers to interstate trade—barriers of the type the United States has been working hard to eliminate in international markets.

Mr. President, Congress should never have provided Secretary Glickman with authority to approve the compact. That in my view, was an improper and potentially unconstitutional delegation of our authority and it was irresponsible. It is the role of Congress to approve interstate compacts and we irresponsibly abrogated our responsibility in this matter. It is time to make it right.

It is incumbent upon Congress to undo the mistake it made in the 1996 farm bill. It's time to repeal the Northeast Interstate Dairy compact.

I urge my colleagues to support this legislation.

By Mr. GRAMS (for himself and Mr. FEINGOLD):

S. 917. A bill to equalize the minimum adjustments to prices for fluid milk under milk marketing orders; to the Committee on Agriculture, Nutrition, and Forestry.

THE DAIRY REFORM ACT

Mr. GRAMS. Mr. President, I rise today in order to call attention to one of the most onerous barriers currently facing American agriculture. It is a regional price-fixing cartel, which benefits only those producers within its own boundaries, at the direct expense of consumers. It is a patently unfair, unabashed attempt to distort basic principles of market forces. It is the Northeast Interstate Dairy Compact, which has been in effect in New England States since July 1997.

Today, Senator RUSS FEINGOLD of Wisconsin and I introduce the Dairy Fairness Act, which would repeal the Northeast Interstate Dairy Compact. As many southeastern States are passing enabling legislation to lay the groundwork in forming their own compacts, we feel it is necessary to once again review the notorious history of the Northeast Interstate Dairy Compact, and its negative impact on consumers and on all dairy farmers—with the notable exception, of course, of the largest dairy industries within the compact region.

The 1996 FAIR Act included significant reforms for diary policy. It set the stage for greater market orientation in dairy, including reform of the archaic Federal milk marketing orders. Yet despite a strong vote by the Senate to strip the Northeast Interstate Dairy Compact from its version of the FAIR Act, and the deliberate exclusion of any compact language from the House version of the bill, a Northeast Interstate Dairy Compact provision was slipped into the conference report. This

language called for the termination of the compact upon the completion of the Federal milk marketing order process. That would have been in April of 1999. Well, through last year's appropriations process, the implementation of USDA's Federal Milk Marketing Order reforms have been delayed by 6 months. Of course, this was not at the request of the USDA. With the delay came an automatic extension of this compact. This political maneuvering is outrageous, and it comes with a high price tag attached—a high price tag to be paid by milk drinkers, and the rest of the Nation's dairy farmers.

The goals of the Northeast Dairy Compact have been clear since its inception. That was—to increase the profits of producers within the compact region, but at the expense of everyone outside of the compact. And by now, the obvious ramifications have been realized—higher milk prices within the compact region. This, not surprisingly, has led to a decrease in milk consumption. According to data from the Northeast Dairy Compact Commission, the compact, since it has been in effect, has added $46.5 million to the cost of milk in New England. As the fluid milk prices which consumers pay rise, the burden falls disproportionately on low-income families, particularly those with small children. Low-income families spend a greater percentage of their income on food. They are harmed as a direct result of this compact.

The compact is having other dramatic effects as well. The increase in prices which producers receive for their milk has led to surplus production, which has had a negative effect on other producers around the country. Conversion of this surplus milk into cheese, butter, and powder drives down prices for these products in other non-compact regions. Take milk powder, for instance. Some of the compact's excess supply has been converted into nonfat milk powder. Between October 1997 and March 1998, New England produced 11 million more pounds of powder, 60 percent more than it did in the same period of the preceding year. During that time, nonfat powder production in the U.S. increased by only 2 percent. Furthermore, between October 1, 1997 and March 31, 1998, the nonfat milk powder glut in the U.S. drove prices so low that USDA had to spend nearly $41 million to buy surplus milk powder from dairy processors. Dairy producers outside of the compact region clearly are harmed as a direct result of the compact.

In fact, the only real winners have been the largest industrial dairies of the Northeast. It is really no surprise. Just consider it: if the compact pays a premium per hundredweight of milk, and large industrial dairies are able to produce, for example, 15 to 20 times more than the ''typical'' traditional dairy farm that the compact was supposedly going to protect, who do you think the big winners are? It certainly isn't the traditional dairy farm. They are also put at a competitive disadvantage, and thanks again to regional politics. And so are dairies outside the compact region.

We must keep sight of the fact that a dairy compact, or any sort of compact for that matter, is essentially a price-fixing scheme, which so abuses interstate commerce that it requires a special authorization of Congress. Otherwise it would violate Federal antitrust laws. We have come to the point where we must ask ourselves, as a nation, in which direction will we proceed concerning dairy policy. USDA has just presented its recommendations for Federal Milk Marketing Order reforms. It is not a great step in the way of reform, but at least it represents a rational attempt to decrease Federal interference in the dairy business and to treat producers all over the country a little more fairly. A national patchwork of compacts would render the Federal Milk Marketing Order reforms meaningless. It would essentially kill any hope for the beginning of real Federal reform. Interstate commerce in the milk industry would be so confusing it would be a confusing maze that harms consumers. While dairy was not included in the farm bill, it was always envisioned that a later dairy solution would conform to the free market concept of that farm bill.

We all know that it is difficult in Washington to have the courage to bypass any of those quick-fix issues in favor of a long-range view which would produce better and sound dairy policies. But that is exactly what we need today. That is where real leadership comes into play. So let's be advocates for the traditional dairy farmers, not just the mega-dairies. What is required now is a complete overhaul of this backward-looking and just plain unfair compact legislation. Senator FEINGOLD and I will continue to fight the Northeast Interstate Dairy Compact, and any other dairy compact that may be proposed. And we urge our colleagues to give all dairy farmers, in all areas of our country, the ability to compete on a level playing field.

To this end, and in order to underscore the need for significant reform, Senator FEINGOLD and I today also introduce the Dairy Reform Act, which would equalize the minimum adjustments to prices for fluid milk marketing orders at $1.80 per hundredweight of milk. This legislation, again, represents real reform, and a level playing field that will allow farmers to compete fairly and not have the Federal Government stand on the neck of dairy farmers in one area of the country while supporting those in others. It would allow producers to compete in a system where efficiencies—efficiencies—would be rewarded and they would be important according to market principles. The current system is so weighted against the Upper Midwest that our dairy farmers have to be twice as good just to be able to break even. The Dairy Reform Act proposes a marketing system which would truly be fair.

Mr. FEINGOLD. Mr. President, today I rise in support of the Dairy Reform Act of 1999, introduced by my colleague from Minnesota, Senator ROD GRAMS.

The Federal Dairy Program was developed in the 1930's, when the Upper Midwest was seen as the primary reserve for additional supplies of milk. The idea was to encourage the development of local supplies of fluid milk in areas of the country that had not produced enough to meet local needs. Six decades ago, the poor condition of the American transportation infrastructure and the lack of portable refrigeration technology prevented Upper Midwest producers from shipping fresh fluid milk to other parts of the country. Therefore, the only way to ensure consumers a fresh local supply of fluid milk was to provide dairy farmers in those distant regions with a boost in milk price large enough to encourage local production—that higher price referred to as the Class I differential. Mr. President, the system worked well—too well. Wisconsin is no longer this country's largest milk producer. This program has outlived its necessity and is now working only to shortchange the Upper Midwest, and in particular, Wisconsin dairy farmers.

The Dairy Reform Act of 1998 is very simple. It establishes that the minimum Class I price differential will be the same, $1.80/hundredweight, for each marketing order. As many of you know, the price for fluid milk increases at a rate of approximately 21 cents per 100 miles from Eau Claire, WI. Fluid milk prices, as a result, are nearly $3 higher in Florida than in Wisconsin, more than $2 higher in New England, and more than $1 higher in Texas. This bill ensures that the Class I differentials will no longer vary according to an arbitrary geographic measure—like the distance from Eau Claire Wisconsin. No longer will the system penalize producers in the Upper Midwest with an archaic program that outlived its purpose years ago. This legislation identifies one of the most unfair and unjustly punitive provisions in the current system, and corrects it. There is no substantive, equitable justification to support non-uniform Class I differentials in present day policy.

USDA's Federal Milk Marketing Order reform proposal was recently published. Although the USDA was successful in narrowing Class I differentials, discrepancies still exist. It is long past the time to set aside regional bickering and address the problems faced by dairy producers in all regions. The Dairy Reform Act of 1999 will make a change to USDA's proposed rule which will make the entire package more palatable for Wisconsin's producers. It will take USDA's proposal a step further and lead the dairy industry into a more market oriented program. Also producers will still be able to receive payment for transportation costs and over-order premiums.

This measure would finally bring fairness to an unfair system. With this bill we will send a clear message to USDA and to Congress that Upper-Midwest dairy farmers will never stop fighting this patently unfair federal milk marketing order system. After over 60 years of struggling under this burden of inequality, Wisconsin's dairy industry deserves more; it deserves a fair price.

By Mr. KERRY (for himself, Mr. BOND, Mr. BINGAMAN, Ms. LANDRIEU, Mr. HARKIN, Mr. LIEBERMAN, Mr. WELLSTONE, Mr. KOHL, Mr. BURNS, Mr. ROBB, Mr. EDWARDS, Mr. LEVIN, Mr. GRAHAM, Ms. SNOWE, Mr. AKAKA, Mrs. MURRAY, Mr. CLELAND, Mr. KENNEDY, Mr. JEFFORDS, Ms. COLLINS, Mr. ABRAHAM, Mr. LEAHY, Mr. BAUCUS, Mr. KERREY, Mr. GRASSLEY, Mr. MOYNIHAN, Mrs LINCOLN, Mr. BAYH, Mr. CHAFEE, Mr. LAUTENBERG, Mr. COCHRAN, and Mr. DASCHLE):

S. 918. A bill to authorize the Small Business Administration to provide financial and business development assistance to military reservists' small business, and for other purposes; to the Committee on Small Business.

MILITARY RESERVIST SMALL BUSINESS RELIEF ACT OF 1999

Mr. KERRY. Mr. President, I come to the floor today to introduce the Military Reservist Small Business Relief Act of 1999. I offer it on behalf of myself and 30 other colleagues: Senators BOND, BINGAMAN, LANDRIEU, HARKIN, LIEBERMAN, WELLSTONE, KOHL, BURNS, ROBB, EDWARDS, LEVIN, GRAHAM, SNOWE, AKAKA, MURRAY, CLELAND, KENNEDY, JEFFORDS, COLLINS, ABRAHAM, LEAHY, BAUCUS, BOB KERREY of Nebraska, GRASSLEY, MOYNIHAN, LINCOLN, BAYH, CHAFEE, LAUTENBERG, COCHRAN, and DASCHLE. I thank these Senators for their support.

Mr. President, a number of those colleagues I listed serve on either the Small Business Committee, the Armed Services Committee or on the Veterans Affairs Committee. However, all have joined me in a universal concern that I think goes across the aisle for the problems that reservists face when they are called suddenly to active duty. This bill will help small businesses whose owner, manager, or key employee is called to active duty. Most immediately, we are obviously looking at the question of service in Kosovo, but the act also applies to future contingency operations, military conflicts, or national emergencies.

Since 1973, we have taken pains as a result of the Vietnam experience to build an all-volunteer military. Our reservists are much more than just weekend warriors. When they are called, they are an essential ingredient of any kind of long-term or significant deployment of American forces. I think everyone knows the contributions they have made as soldiers, sailors, airmen, marines and Coast Guard, serving our country in extraordinary ways in recent years.

The National Guard and the Reservists have become a critical component of U.S. force deployment. In the Persian Gulf war they accounted for more than 46 percent of our total forces. The Acting Assistant Secretary for Defense for Reserve Affairs just Tuesday said that ''Reservists are absolutely vital to our national military strategy.''

To support the NATO operations in the Balkans, Secretary of Defense Cohen has asked for and received the authorization to call up members of the Selected Reserve to active duty. President Clinton has authorized deployment of 33,000 reservists, but the initial callup includes only about 2,100 personnel. These first reservists come from Alabama, Arizona, California, Kansas, Indiana, Michigan, Pennsylvania and Wisconsin. A total of 1.4 million Americans currently serve in our seven Reserve components of the U.S. Armed Forces.

When these folks are called up, even though they know they are in the Reserves and even though they know at some point in time they might be called to meet an emergency of our country, the fact is that nothing prepares their families or them for the remarkably fast transition that takes place. There are obviously emotional and personal hardships people have to deal with, but in addition to that there are significant financial realities.

I have heard first-hand, talking to a number of vets who suffered this callup process, how difficult it is. One veteran told the ''Boston Globe'' on the 1-year anniversary of the Persian Gulf War:

> The Gulf War is going to wind up having caused a lot of stress for me personally and for my family. It didn't just take a year out of my life. It's going to take a minimum of another two years, because that's how long it's going to take for us to catch up.

I think it is imperative that we help these families and communities to bridge the gap between the moment when the troops leave and when they return. We are talking about people who fill all of the normal, everyday positions of commerce that help to keep this country strong—bankers, barbers, mechanics, merchants, farmers, doctors, Realtors, owners of fast food restaurants—all kinds of positions that reservists hold and ultimately leave when they go to active duty.

As some veterans of the Persian Gulf War know all too well, they left their businesses and their companies in good shape. They were earning a living, they were providing a service, they were adding to the tax base, they were creating jobs, and then they returned to hardships that range from bankruptcy to financial ruin; from deserted clients to layoffs.

Even if you are not a small business owner, one has to ask what happens to one's family or to one's business or company during a 6- to 7-month deployment if you or your key employee suddenly has to depart. Particularly in rural areas and small towns it can be extremely difficult to find a replacement.

Let me share with you just one very quick story from my part of the country. For privacy purposes I am not going to use any names. However, I am going to talk about a physician from Raynham, MA. He was a lieutenant commander in the Navy Reserve and was called up for Operation Desert Storm as a flight surgeon in January 1991. For 10 years he had been a solo practitioner. After only 6 months of service, he had to file bankruptcy. That bankruptcy affected not only him but his wife, his two employees, and their families. After 1 year on duty, he came home and he found he literally had no business, no clients at that point in time, and no job—no income as a consequence.

We do not know for how long reservists will be called away, but whenever they return, we ought to make certain, to the degree we can, that the negative impacts are as minimal as possible. There is a way to do that. The way to do it is through this legislation.

What we seek to do is to authorize the SBA, the Small Business Administration, to defer existing loan repayments and to reduce the interest rates on direct loans that may be outstanding to those who are called up. That would include disaster loans. The deferrals and reductions that are authorized by this bill would be available from the date that the individual reservist is called to active duty until 180 days after his or her release from that duty.

For microloans and loans guaranteed under the SBA's financial assistance programs, such as the 504 program or 7(a) loan programs, the bill directs the agency to develop policies that encourage and facilitate ways that SBA lenders can either defer or reduce loan repayments.

For example, a microlender's ability to repay its debt to the SBA is obviously dependent upon the repayments from its microborrowers. So, with this bill's authority, if a microlender extends or defers loan repayment to a borrower who is a deployed military reservist, in turn the SBA would extend repayment obligations to the microlender.

Second, the bill establishes a low-interest, economic injury loan program to be administered by the SBA through its disaster loan program. These loans would be specifically available to provide interim operating capital to any small business when the departure of a military reservist for active duty causes economic injury. Under the bill, such harm includes three general cases: No. 1, inability to make loan repayments; No. 2, inability to pay ordinary and necessary operating expenses; or, No. 3, inability to market, produce or provide a service or product that it ordinarily provides.

Identical to the loan deferral requirements, an eligible small business can

apply for an economic injury loan from the date that the company's military reservist is ordered to active duty, again until 180 days after the release from active duty.

Finally, the bill directs the SBA, and all of its private sector partners, such as the small business development centers, the women's business centers, to make positive efforts—proactive efforts—to reach out to those businesses affected by the call-up of military reservists to active duty, and to offer business counseling and training. Those left behind to run the businesses, whether it is a spouse or a child or an employee, while the military reservist is serving overseas, may be inexperienced in running the business and need quick access to management and marketing counseling. We think it is important to do what we can to help bring those folks together, to keep the doors of the business open, and to reduce the impact of a military conflict and national emergency on the economy.

Some people might argue—I have not heard this argument sufficiently—but it is not inconceivable that some people would say: Wait a minute now, reservists do not deserve this special assistance because they ought to know the inherent risks of their chosen role and they ought to be prepared for deployment.

It is true you may live with those possibilities and those probabilities. It is also true it is very hard to pick up from the moment of notification to the moment of departure in as little as 3 days, pulling all the pieces together sufficiently. During the Persian Gulf war, one reservist's wife, Mrs. Carolee Ploof of Middlebury, VT, reported that her family had 3 days to prepare for her husband's departure. She said: ''How do you prepare [for that]? I really think it's unfair that self-employed people have to lose their shirts to protect their country.'' So, from the moment her husband was mobilized, he reported for duty until 10 p.m. and then went home to try to teach his wife how to run the business—all in 48 hours before he was to depart.

I think we should understand we are talking here about loans and extensions on loans. We are not talking about forgiveness, and we are not talking about grants. We are talking about a hand up, not a hand-out. We are talking about trying to facilitate what is obviously a very difficult process.

Finally, let me just say we are the people who designed the policy that made it so our military deployments for significant kinds of conflicts are, in fact, so Reserve-dependent. We did that for a lot of good reasons, not the least of which is that we have a great tradition in this country of citizen soldiers—a voluntary civilian component of our military service. We also know it is a significant way to reduce the costs of a standing army. The costs of carrying a standing army, in lieu of having reservists as the important component they are, millions of times outweighs the very small, targeted help we are talking about in this legislation.

I thank my 30 other colleagues who are cosponsors of this bill. I hope that this legislation will move very rapidly through the Senate so reservists will know, and their families will know, that, should there be a greater deployment in the future, it will not come with the kind of loss, or double hit if you will, for the notion of service to our country.

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

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

S. 918

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Military Reservists Small Business Relief Act of 1999''.

SEC. 2. REPAYMENT DEFERRAL FOR ACTIVE DUTY RESERVISTS.

Section 7 of the Small Business Act (15 U.S.C. 636) is amended by adding at the end the following:

''(n) REPAYMENT DEFERRED FOR ACTIVE DUTY RESERVISTS.—

''(1) DEFINITIONS.—In this subsection:

''(A) ELIGIBLE RESERVIST.—The term 'eligible reservist' means a member of a reserve component of the Armed Forces ordered to active duty during a period of military conflict.

''(B) OWNER, MANAGER, OR KEY EMPLOYEE.—An owner, manager, or key employee described in this subparagraph is an individual who—

''(i) has not less than a 20 percent ownership interest in the small business concern described in subparagraph (D)(ii);

''(ii) is a manager responsible for the day-to-day operations of such small business concern; or

''(iii) is a key employee (as defined by the Administration) of such small business concern.

''(C) PERIOD OF MILITARY CONFLICT.—The term 'period of military conflict' means—

''(i) a period of war declared by Congress;

''(ii) a period of national emergency declared by Congress or by the President; or

''(iii) a period of a contingency operation, as defined in section 101(a) of title 10, United States Code.

''(D) QUALIFIED BORROWER.—The term 'qualified borrower' means—

''(i) an individual who is an eligible reservist and who, received a direct loan under subsection (a) or (b) before being ordered to active duty; or

''(ii) a small business concern that received a direct loan under subsection (a) or (b) before an eligible reservist, who is an owner, manager, or key employee described in subparagraph (B), was ordered to active duty.

''(2) DEFERRAL OF DIRECT LOANS.—

''(A) IN GENERAL.—The Administration shall, upon written request, defer repayment of principal and interest due on a direct loan made under subsection (a) or (b), if such loan was incurred by a qualified borrower.

''(B) PERIOD OF DEFERRAL.—The period of deferral for repayment under this paragraph shall begin on the date on which the eligible reservist is ordered to active duty and shall terminate on the date that is 180 days after the date such eligible reservist is discharged or released from active duty.

''(C) INTEREST RATE REDUCTION DURING DEFERRAL.—Notwithstanding any other provision of law, during the period of deferral described in subparagraph (B), the Administration may, in its discretion, reduce the interest rate on any loan qualifying for a deferral under this paragraph.

''(3) DEFERRAL OF LOAN GUARANTEES AND OTHER FINANCINGS.—The Administration shall—

''(A) encourage intermediaries participating in the program under subsection (m) to defer repayment of a loan made with proceeds made available under that subsection, if such loan was incurred by a small business concern that is eligible to apply for assistance under subsection (b)(3); and

''(B) not later than 30 days after the date of enactment of this subsection, establish guidelines to—

''(i) encourage lenders and other intermediaries to defer repayment of, or provide other relief relating to, loan guarantees under subsection (a) and financings under section 504 of the Small Business Investment Act of 1958 that were incurred by small business concerns that are eligible to apply for assistance under subsection (b)(3), and loan guarantees provided under subsection (m) if the intermediary provides relief to a small business concern under this paragraph; and

''(ii) implement a program to provide for the deferral of repayment or other relief to any intermediary providing relief to a small business borrower under this paragraph.''.

SEC. 3. DISASTER LOAN ASSISTANCE FOR MILITARY RESERVISTS' SMALL BUSINESSES.

(a) IN GENERAL.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting after the undesignated paragraph that begins with ''*Provided,* That no loan'', the following:

''(3)(A) In this paragraph—

''(i) the term 'economic injury' means an economic harm to a business concern that results in the inability of the business concern—

''(I) to meet its obligations as they mature;

''(II) to pay its ordinary and necessary operating expenses; or

''(III) to market, produce, or provide a product or service ordinarily marketed, produced, or provided by the business concern;

''(ii) the term 'owner, manager, or key employee' means an individual who—

''(I) has not less than a 20 percent ownership in the small business concern;

''(II) is a manager responsible for the day-to-day operations of such small business concern; or

''(III) is a key employee (as defined by the Administration) of such small business concern; and

''(iii) the term 'period of military conflict' has the meaning given the term in subsection (n)(1).

''(B) The Administration may make such disaster loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) to assist a small business concern (including a small business concern engaged in the lease or rental of real or personal property) that has suffered or that is likely to suffer economic injury as the result of the owner, manager, or key employee of such small business concern being ordered to active military duty during a period of military conflict.

''(C) A small business concern described in subparagraph (B) shall be eligible to apply for assistance under this paragraph during the period beginning on the date on which the owner, manager, or key employee is ordered to active duty and ending on the date that is 180 days after the date on which such

owner, manager, or key employee is discharged or released from active duty.

''(D) Any loan or guarantee extended pursuant to this paragraph shall be made at an annual interest rate of 4 percent, without regard to the ability of the small business concern to secure credit elsewhere.

''(E) No loan may be made under this paragraph, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis, if the total amount outstanding and committed to the borrower under this subsection would exceed $1,500,000, unless such applicant constitutes a major source of employment in its surrounding area, as determined by the Administration, in which case the Administration, in its discretion, may waive the $1,500,000 limitation.

''(F) For purposes of assistance under this paragraph, no declaration of a disaster area shall be required.''.

(b) CONFORMING AMENDMENTS.—Section 4(c) of the Small Business Act (15 U.S.C. 633(c)) is amended—

(1) in paragraph (1), by striking ''7(b)(4),''; and

(2) in paragraph (2), by striking ''7(b)(4), 7(b)(5), 7(b)(6), 7(b)(7), 7(b)(8),''.

SEC. 4. BUSINESS DEVELOPMENT AND MANAGEMENT ASSISTANCE FOR MILITARY RESERVISTS' SMALL BUSINESSES.

(a) IN GENERAL.—Section 8 of the Small Business Act (15 U.S.C. 637) is amended by adding at the end the following:

''(*l*) MANAGEMENT ASSISTANCE FOR SMALL BUSINESSES AFFECTED BY MILITARY OPERATIONS.—The Administration shall utilize, as appropriate, its entrepreneurial development and management assistance programs, including programs involving State or private sector partners, to provide business counseling and training to any small business concern adversely affected by the deployment of units of the Armed Forces of the United States in support of a period of military conflict (as defined in section 7(n)(1)).

(b) ENHANCED PUBLICITY DURING OPERATION ALLIED FORCE.—For the duration of Operation Allied Force and for 120 days thereafter, the Administration shall enhance its publicity of the availability of assistance provided pursuant to the amendments made by this Act, including information regarding the appropriate local office at which affected small businesses may seek such assistance.

SEC. 5. GUIDELINES.

Not later than 30 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall issue such guidelines as the Administrator determines to be necessary to carry out this Act and the amendments made by this Act.

SEC. 6. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) DISASTER LOANS.—The amendments made by section 3 shall apply to economic injury suffered or likely to be suffered as the result of a period of military conflict occurring on or after March 24, 1999.

Mr. KOHL. Mr. President, more than 2,000 reservists were called up Tuesday to participate in NATO Operation Allied Force. These men and women who may serve for as long as nine months are making a great sacrifice, as are their family members and co-workers who are left behind.

It is incumbent upon us to find ways to ease the burden of this service for our reservists, their families and their employers. Two weeks ago the Senate passed tax relief for those serving in Operation Allied Force. The legislation we are introducing today addresses the economic impact of taking reservists away from small businesses, whether the reservist is the owner, a manager or a key employee.

The Military Reservists Small Business Relief Act allows small businessmen and women to defer loan payments on any direct loan from the Small Business Administration (SBA), including disaster loans. The bill directs SBA to come up with a policy for payment deferrals for the microloan program and loans guaranteed under one of SBA's financial assistance programs. Deferrals on loan payments would extend 180 days after the reservist's release from active duty.

The bill also establishes a low interest economic injury loan program to provide interim operating capital to any small business experiencing economic harm because a military reservist has been called to active duty. The bill defines economic harm as being unable to provide goods or services that the business usually provides. SBA will administer the loan program through its disaster loan program.

Recognizing the disruptions that may occur as a result of the recent call up, the Military Reservists Small Business Relief Act directs SBA and its private sector partners to mobilize their resources to offer business counseling and training to inexperienced employees or family members who are left behind to run businesses on their own when a reservist is called up.

This legislation is modeled on similar legislation adopted during Operation Desert Storm. It is a practical response to the real and often overlooked impact of calling up military reservists. Wisconsin has some marvelous employers who are tremendously supportive of their employees who serve in the reserves. Several years ago, Schneider Truck of Green Bay, WI, was recognized as the Reserves Employer of the year by the Defense Department. Companies like Schneider do all they can to make it easier for reservists and their families to manage while the service member is on active duty. It is my hope that this legislation will help smaller companies and encourage them to provide reservists and their families with this kind of support.

The men and women of the reserves are far more than ''weekend warriors,'' they are the backbone of our military. We are grateful for their willingness to serve. We thank the men and women of the reserves, their families, and their employers for their sacrifices and this service.

Mr. LEVIN. Mr. President, the President has approved the call-up of up to 33,000 Reservists to support NATO operations over Kosovo. Reserve forces are playing an ever-increasing role in military operations. With the downsizing of our Active forces and the increased number of missions, our Armed Forces cannot operate successfully without use of our Reserve component resources. For example, of the 540,000 service members deployed to Saudi Arabia for Desert Shield/Desert Storm, 228,000, or 42%, were reservists. Reservists have also answered the call for service in Operation RESTORE HOPE in Somalia, Operation UPHOLD DEMOCRACY in Haiti, and Operation JOINT ENDEAVOR/JOINT GUARD in Bosnia.

National Guard and Reserve forces are involved in helping Central America recover from the devastation of Hurricane Mitch, and they are routinely called upon to respond to disasters in the United States. As the Reserve components are relied on more and more, even during nornal times they are called away from their civilian jobs more and more.

The absence of these men and women from their families, jobs and businesses while they are serving their country on active duty will clearly present some hardships. We should do everything we can do to try minimize any economic hardships that might arise from their absence on their businesses and places of employment. That is why I have cosponsored the Military Reservists Small Business Relief Act that Mr. KERRY has introduced today to provide financial and business development assistance to military reservists' small businesses.

This legislation will help military reservists who are called away from their jobs and businesses to serve the United States in any military operation with respect to Kosovo by allowing them to defer existing government guaranteed small business loans and giving them access to low interest rate government guaranteed loans to bridge any financial gap that might arise out of their absence. These Reservists will be eligible for assistance if they are an owner, manager or key employee of a small business.

This legislation provides more generous loan repayment terms for small business reservists who have SBA loans. It does this by authorizing a deferral of loan repayments for small business reservists on any direct loan from the Small Business Administration (SBA), including disaster loans. Interest will not accrue during the time that the loan is deferred. The legislation also directs SBA to develop policies such as extending repayments of its government guaranteed loans such as micro loans or 7(a) loans for reservists who are called up for active duty. The deferrals will be available from the date the reservist is called to active duty until 180 days after his or her release from active duty.

The legislation also establishes a low interest economic injury loan program to be administered by SBA through its disaster loan program. Such loans would be made available to provide interim operating capital to any small business when the departure of a military reservist to active duty causes economic harm.

The legislation also directs the SBA and its private sector partners to make every effort to reach out to those businesses affected by the absence of key employees who are Reservists and provide assistance such as businesses counseling and training for how to run the business in the absence of these key employees.

I am pleased to be a cosponsor of this important legislation designed to reduce any economic hardship created by the absence of active duty reservists from their jobs and businesses and I hope the Senate will act on it quickly.

Mr. JEFFORDS. Mr. President, it is widely known that our nation can no longer commit military force to conflicts, national emergencies and contingency operations without the participation of our National Guard and Reserves. This is expressly provided in our national military strategy. It is confirmed by the 300% increase in the pace of operations for our National Guard alone since Operation Desert Storm.

While I enthusiastically support the full integration of our reserve components into a seamless Total Force, I recognize its potential to seriously affect our nation's small businesses. In most communities across this nation small businesses sustain the local economy, yet many of these businesses rely upon key employees, owners or managers who are also Guard members or Reservists subject to being called away to active duty. On Tuesday, the President approved the call-up of 33,102 members of the Selected Reserve to active duty in support of NATO operations in Yugoslavia. We cannot ignore the impact of this on our small businesses. The challenge is upon us. That is why I am happy to join Senator KERRY in introducing the Military Reservists Small Business Relief Act.

For eligible reservists called to active duty in support of a declared war, national emergency or contingency operation, the bill provides in part:

1. An authorization to defer loan repayments on any direct loan from the Small Business Administration (SBA), including disaster loans, to borrowers who are members of the Guard and Reserves called to active duty.

2. A low interest economic injury loan program, administered by SBA, which would provide interim operating capital to any small business likely to suffer economic harm caused by the departure of an employee, who is a member of the Guard or Reserves called to active duty.

3. Direction to the SBA and all of its private sector partners, such as the Small Business Development Centers, to offer business training and counseling to small business affected by a loss of an employee who is a member of the Guard or Reserves called to active duty.

Given that our Guard and Reserve are shouldering an increasing share of our worldwide missions, we cannot overlook the effects of these operations on our civilian workforce and their civilian employers. This legislation ensures that we keep their interests in mind during periods of military conflict.

By Mr. DODD (for himself, Mr. LIEBERMAN, Mr. KERRY, and Mr. KENNEDY):

S. 919. A bill to amend the Quinebaug and Shetucket Rivers Valley National Heritage Corridor Act of 1994 to expand the boundaries of the corridor; to the Committee on Energy and Natural Resources.

QUINEBAUG AND SHETUCKET RIVERS VALLEY NATIONAL HERITAGE CORRIDOR REAUTHORIZATION ACT OF 1999

Mr. DODD. Mr. President, I am pleased to join with my colleagues, Senator LIEBERMAN, Senator KERRY, and Senator KENNEDY, to introduce legislation to reauthorize the Quinebaug and Shetucket Rivers Valley National Heritage Corridor (Corridor). Congressman GEJDENSON from Connecticut and Congressman NEAL from Massachusetts will be introducing companion legislation today in other body.

The 25-town area in eastern Connecticut was originally designated a Corridor in 1994, when the U.S. Congress passed and the President signed Public Law 103–449. The purpose of the Corridor is to encourage grassroots efforts to preserve historic and environmental treasures while promoting economic development. Today's legislation builds upon the success of the Corridor and extends it by including nine towns from Massachusetts and one additional town from Connecticut. The towns affected include Union, Connecticut, and the following towns in Massachusetts—Brimfield, Charlton, Dudley, East Brookfield, Holland, Oxford, Southbridge, Sturbridge, and Webster.

Because this is an established Corridor which has been developing and implementing cultural, economic and environmental programs to preserve this beautiful and historic region of Connecticut, the legislation we are introducing increases the Corridor authorization level to $1.5 million. This level of funding is consistent with recent new Corridor authorization levels of $1 million. Our Corridor has been significantly underfunded each year; I can only imagine the further great works that can be undertaken with adequate funding.

Unfortunately, Connecticut ranks near the bottom among States in the amount of Federal land within its borders, such as National Parks, Recreation Areas, and Forests. That is why I joined with Congressman GEJDENSON back in 1993 to introduce the original bill designating the Quinebaug and Shetucket Heritage Corridor and why I am advocating an increase in the size and scope of it. Extending through eastern Connecticut and soon southeastern Massachusetts, the Corridor is within a two hour's drive from the major metropolitan areas of Boston, New Haven, Hartford and New York.

The Quinebaug and Shetucket Rivers Valley saw a rebirth with the dawn of the industrial age. Hundreds of mills were built along the banks of the rivers and this region became a leader in the textile industry. Today, the mills are quiet, many of them abandoned, and the valley is a picturesque area of rolling hills and beautiful farms. It offers landscapes for hiking and biking, rivers for canoeing and fishing, and abandoned mills which offer a glimpse at history. It is the birthplace of Revolutionary War hero Nathan Hale and the Prudence Crandall School, the site of the first teacher-training school for African-American women established in 1833. There are also many Native American and archaeological sites.

The area is rich in history and those groups and individuals involved with the Corridor have developed a management plan to preserve local resources, enhance recreational potential and promote appropriate development. By joining forces with the people of Massachusetts, a more integrated system can be undertaken. The important historic and cultural resources do not stop at the border.

In the few short years that the Corridor has been in place, its stewards have provided grants and technical assistance to towns and nonprofits embarking on historic preservation and research, economic development, tourism, natural resource conservation and recreation.

The Corridor has public and private support throughout Connecticut and the regions in Massachusetts look forward to working with the existing partnerships to enhance their quality of life. It is the goal of the Corridor to ensure a healthy environment and robust economy compatible with the character of the region.

Mr. President, I urge my colleagues to look favorably on this effort and I ask unanimous consent that a copy of the bill be printed in the RECORD.

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

S. 919

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

SECTION 1. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This Act may be cited as the ''Quinebaug and Shetucket Rivers Valley National Heritage Corridor Reauthorization Act of 1999''.

(b) REFERENCES.—Except as otherwise expressly provided, wherever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Quinebaug and Shetucket Rivers Valley National Heritage Corridor Act of 1994 (16 U.S.C. 461 note; title I of Public Law 103–449).

SEC. 2. FINDINGS.

Section 102 is amended—

(1) in paragraph (1), by inserting ''and the Commonwealth of Massachusetts'' after ''State of Connecticut'';

(2) by striking paragraph (2);

(3) by redesignating paragraphs (3) through (9) as paragraphs (2) through (8), respectively;

(4) in paragraph (3) (as so redesignated), by inserting ''New Haven,'' after ''Hartford,''; and

(5) in paragraph (8) (as so redesignated), by striking ''regional and State agencies'' and inserting ''regional, and State agencies,''.

SEC. 3. ESTABLISHMENT OF QUINEBAUG AND SHETUCKET RIVERS VALLEY NATIONAL HERITAGE CORRIDOR; PURPOSE.

Section 103 is amended—

(1) in subsection (a), by inserting ''and the Commonwealth of Massachusetts'' after ''State of Connecticut''; and

(2) by striking subsection (b) and inserting the following:

''(b) PURPOSE.—The purpose of this title is to provide assistance to the State of Connecticut and the Commonwealth of Massachusetts, and their units of local and regional government and citizens, in the development and implementation of integrated natural, cultural, historic, scenic, recreational, land, and other resource management programs in order to retain, enhance, and interpret the significant features of the land, water, structures, and history of the Quinebaug and Shetucket Rivers Valley.''.

SEC. 4. BOUNDARIES AND ADMINISTRATION.

Section 104 is amended—

(1) in the first sentence of subsection (a)—

(A) by inserting ''Union,'' after ''Thompson,''; and

(B) by inserting before the period at the end the following: ''in the State of Connecticut, and the towns of Brimfield, Charlton, Dudley, East Brookfield, Holland, Oxford, Southbridge, Sturbridge, and Webster in the Commonwealth of Massachusetts, which are contiguous areas in the Quinebaug and Shetucket Rivers Valley, related by shared natural, cultural, historic, and scenic resources''; and

(2) by adding at the end the following:

''(b) ADMINISTRATION.—The Corridor shall be managed by Quinebaug-Shetucket Heritage Corridor, Inc., in accordance with the management plan and in consultation with the Governors.''.

SEC. 5. MANAGEMENT PLAN.

Section 105 is amended—

(1) by striking the section heading and inserting the following:

''SEC. 105. MANAGEMENT PLAN.'';

(2) by striking subsections (a) and (b);

(3) by redesignating subsection (c) as subsection (a);

(4) in subsection (a) (as so redesignated)—

(A) in the subsection heading, by inserting ''MANAGEMENT'' before ''PLAN'';

(B) by striking the first sentence and inserting the following: ''The management entity shall implement the management plan.'';

(C) in paragraph (5), by striking ''identified pursuant to the inventory required in section 5(a)(1)''; and

(D) in paragraphs (6) and (7), by striking ''plan'' each place it appears and inserting ''management plan''; and

(5) by adding at the end the following:

''(b) GRANTS AND LOANS.—The management entity may, for the purposes of implementing the management plan, make grants or loans to the States, their political subdivisions, nonprofit organizations, and other persons to further the goals set forth in the management plan.''.

SEC. 6. DUTIES OF THE SECRETARY.

Section 106 is amended to read as follows:

''SEC. 106. DUTIES OF THE SECRETARY.

''(a) IN GENERAL.—Upon request of the management entity, the Secretary and the heads of other Federal agencies shall assist the management entity in the implementation of the management plan.

''(b) FORMS OF ASSISTANCE.—Assistance under subsection (a) shall include provision of funds authorized under section 109 and technical assistance necessary to carry out this Act.''.

SEC. 7. DUTIES OF OTHER FEDERAL AGENCIES.

Section 107 is amended by striking ''Governor'' and inserting ''management entity''.

SEC. 8. DEFINITIONS.

Section 108 is amended—

(1) in paragraph (1), by inserting before the period at the end the following: ''and the Commonwealth of Massachusetts'';

(2) in paragraph (3), by inserting before the period at the end the following: ''and the Governor of the Commonwealth of Massachusetts'';

(3) in paragraph (5), by striking ''means each of'' and all that follows and inserting the following: ''means—

''(A) the Northeastern Connecticut Council of Governments, the Windham Regional Council of Governments, and the Southeastern Connecticut Council of Governments in Connecticut (or any successor council); and

''(B) the Pioneer Valley Regional Planning Commission and the Southern Worcester County Regional Planning Commission in Massachusetts (or any successor commission).''; and

(4) by adding at the end the following:

''(6) MANAGEMENT ENTITY.—The term 'management entity' means Quinebaug-Shetucket Heritage Corridor, Inc., a not-for-profit corporation incorporated under the law of the State of Connecticut (or a successor entity).

''(7) MANAGEMENT PLAN.—The term 'management plan' means the document approved by the Governor of the State of Connecticut on February 16, 1999, and adopted by the management entity, entitled 'Vision to Reality: A Management Plan', comprising the management plan for the Corridor, as the document may be amended or replaced from time to time.''.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

Section 109 is amended to read as follows:

''SEC. 109. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—There is authorized to be appropriated to carry out this title—

''(1) $1,500,000 for any fiscal year; but

''(2) not more than a total of $15,000,000.

''(b) COST SHARING.—Federal funding provided under this title may not exceed 50 percent of the total cost of any assistance provided under this title.''.

SEC. 10. CONFORMING AMENDMENT.

Section 110 is amended in the section heading by striking ''**SERVICE**'' and inserting ''**SYSTEM**''.

By Mrs. HUTCHISON (for herself, Mr. MCCAIN, Mr. HOLLINGS, and Mr. INOUYE):

S. 920. A bill to authorize appropriations for the Federal Maritime Commission for fiscal years 2000 and 2001; to the Committee on Commerce, Science, and Transportation.

FEDERAL MARITIME COMMISSION AUTHORIZATION ACT OF 1999

● Mrs. HUTCHISON. Mr. President, today I, with Senator MCCAIN, Chairman of the Commerce Committee; Senator HOLLINGS, the ranking member of the Commerce Committee; and Senator INOUYE, ranking member of the Surface Transportation and Merchant Marine Subcommittee are introducing a bill to authorize appropriations for fiscal years 2000 and 2001 for the Federal Maritime Commission (FMC).

The Federal Maritime Commission is an independent agency composed of five commissioners. The Commission's primary responsibility is administering the Shipping Act of 1984 and enforcing the Foreign Shipping Practices Act and Section 19 of the Merchant Marine Act of 1920. By doing so, the FMC protects shippers and carriers from restrictive or unfair practices of foreign-flag carriers. Currently, the Commission is engaged in the implementation of the Ocean Shipping Reform Act of 1998. The Act, which takes effect on May 1 of this year is the first major deregulation of international ocean shipping. This bill authorizes funding for the Commission to continue its important work.

Specifically, the bill authorizes $15.6 million for the FMC for fiscal year 2000 and $16.3 million for fiscal year 2001. The fiscal year 2000 funding is $385,000 above the amount requested by the President in order to fund the appointment of the fifth commissioner and his or her staff.

I look forward to working on this important legislation and hope my colleagues will join me and the other sponsors in expeditiously moving this authorization through the legislative process.●

● Mr. MCCAIN. Mr. President, I am pleased to join Senator HUTCHISON, Chairman of the Surface Transportation and Merchant Marine Subcommittee in introducing this bill.

The Federal Maritime Commission has done a commendable job in its implementation of the Ocean Shipping Reform Act that takes effect on May 1, 1999. This measure will insure that the Commission can complete their implementation efforts and continue their other duties, administering the Shipping Act of 1984 and enforcing the Foreign Shipping Practices Act and Section 19 of the Merchant Marine Act of 1920.

I am pleased that the subcommittee is taking this action today and will join Senator HUTCHISON and the other sponsors in expeditiously moving this authorization through the legislative process.●

Mr. HOLLINGS. Mr. President, I rise in support of the Federal Maritime Commission Authorization Act of 1999, which would authorize appropriations for the Federal Maritime Commission (FMC) for fiscal years 2000 and 2001. With the recent passage of the Ocean Shipping Reform Act of 1998 (''OSRA'') the Commission's role in overseeing the ocean transportation industry has changed dramatically and increased in importance. The Commission must have the necessary funding to ensure that Congress' intentions with OSRA are met, and that all segments of the industry are fully protected from potential abuses.

I am particularly pleased with the effort made by the Commission to adopt regulations to implement OSRA. OSRA, which was signed into law on October 14, 1998, and will go into effect on May 1, 1999, significantly altered the Commission's primary underlying statute—the Shipping Act of 1984. Nevertheless, the Commission was only given

until March 1, 1999, to adopt final regulations to implement the changes made to the Act. The Commission met this deadline while fully complying with all notice and comment requirements of the Administrative Procedure Act. The Commission solicited and received comment from the entire industry and, based on those comments, arrived at final rules that are fully consistent with the Congressional intent. The Commission should be applauded for accomplishing this difficult task in such a timely and responsive manner.

I would also note that under OSRA the Commission will continue to exercise its vital role in addressing unfair foreign trade practices under section 19 of the Merchant Marine Act, 1920 and the Foreign Shipping Practices Act of 1988. The Commission has proven time and again—most recently with the Japan port controversy and several restrictive practices in Brazil—that it can effectively address such practices and, if adequately funded, will be able to continue to do its fine job. I am a firm proponent of aggressive policies that promote fair and open trades, and I commend the FMC for their role in opening markets for our ocean carrier and ocean shipper communities.

The amounts authorized for the FMC take into account the fact that the Commission will soon be fully staffed with five Commissioners. The President recently nominated a fifth Commissioner and his nomination is pending before the Commerce Committee. The Commission needs full funding to bring the agency up to its full complement of members and to meet its new responsibilities under OSRA.

By Mr. ABRAHAM (for himself, Mr. MCCAIN, and Mr. LOTT):

S. 921. A bill to facilitate and promote electronic commerce in securities transactions involving broker-dealers, transfer agents, and investment advisers; to the Committee on Banking, Housing, and Urban Affairs.

ELECTRONIC SECURITIES TRANSACTIONS ACT

Mr. ABRAHAM. Mr. President, I rise today with Senator MCCAIN and Senator LOTT to introduce legislation designed to modernize the manner in which registered securities broker-dealers, transfer agents, and investment advisers serve millions of American investors every day.

Only a few years ago, a few pioneering brokerage firms, utilizing the vast potential of the Internet, began to revolutionize the securities industry by offering individual investors the opportunity to buy and sell stocks online. Because of the lower costs of electronic transactions, investors have found they can place trades online at a mere fraction of the price they were paying for services at traditional brokerage firms. They have also found that online brokerage firms offer them access to a wide array of information, investing assistance, and research that previously was available only to institutional investors. Almost overnight, many investors have demonstrated their preference for the savings and the empowerment that online brokerage services give them.

For example, today Charles Schwab, which has been at the forefront of offering electronic services, reports that it has approximately 2.5 million active online accounts and that more than 50 percent of its custoemr trades are placed online. Since Schwab offers its customers multiple channels of access to its trading services, the fact that more than half of its customer trades are placed online is a dramatic illustration of the investing public's enthusiasm for and acceptance of online services. The dramatic emergence of online-only brokerage firms, such as E*Trade, Discover and Ameritrade, and the continued migration of traditional brokerage firms to the Web is further evidence of this. Soon, millions of securities transactions will be conducted electronically every day.

Unfortunately, the full potential of online investing has been impeded because of antiquated laws that do not yet take account of electronic commerce. These laws act as barriers to the efficiencies and investor empowerment opportunities that the online brokerage industry offers. Now, once again, it is time for the government to catch up to the market developments spurred by the technology sector. It is time for the government to remove impediments to online investing.

Today, when a person wishes to become a customer of an online broker, he can visit the web-sites of various brokerage firms to compare the value and services those firms offer. He may even provide some information about himself and the type of account he wishes to establish. However, because of traditional principles of contract law and certain recordkeeping requirements, an investor cannot open the account online with any legal certainty. Instead, he must print the application and physically sign and send it by regular mail. The technology gap demonstrated here must be bridged. Investors who, once their accounts are opened, may access investment tools and research and quickly submit trade orders online, should not have to wait days or perhaps even weeks to complete the process for opening an account. This system can and should be changed.

Continuing to require pen-and-ink signatures on account applications and other documents, when secure electronic signature technology exists, imposes unnecessary costs and inefficiencies on brokerage firms and customers alike. Similar costs and inefficiencies have been recognized and removed in other areas of securities regulation, such as recordkeeping and document delivery. Today, brokerage firms can store documents in electronic rather than paper format and are allowed to deliver many documents, such as prospectuses, to customers electronically. There is no reason why the advantages of technology cannot and should not be extended to documents that require a signature.

The legislation my colleagues and I introduce today would do just that by facilitating and enabling the use of electronic signatures by registered broker-dealers and others in the securities industry in their business dealings with customers and other transactional parties. The legislation would make clear that individuals can open a brokerage account and conduct business with a brokerage firm using an electronic signature as proof of identification and intent. It would also give both brokerage firms and their customers the assurance that they can rely on electronic signatures in their business dealings and that the validity of those dealings will not be challenged merely because a pen-and-ink signature was not used.

At this point I think it is important to stress to my colleagues that the online brokerage industry is different from the day-trading industry, which has received a lot of negative attention in the past year. Day-trading firms offer a specialized service that enables their customers to enter orders and trade directly with the market. And while I am sure that most of these businesses are legitimate and sound, in recent months reports of abusive or questionable practices have emerged in relation to this type of trading. Anecdotal accounts tell of investors losing many times the amount of money they originally brought to the market.

The online investing services provided by brokerage firms are quite different from the services provided by day-trading firms. For example, brokerage firms such as Charles Schwab, E*Trade, DLJ Direct, Discover, among others, set strict limits on the extent to which investors are permitted access to margin and option accounts. These firms empower their customers and are not the problem, and it is important that my colleagues and the public understand the differences.

It is that simple. Frankly, I am surprised that the SEC does not require the use of electronic signatures, because unless a physical signature is witnessed, electronic signatures are a far more reliable means of guaranteeing a person is who they say they are. Electronic signatures may result from a variety of technological means that allow users to confirm the authenticity of an electronic documents author, location or content. These technologies are designed to allow contracts to be reviewed and agreed to electronically, to permit individuals and businesses to safely purchase goods online, and to enable government agencies to verify the authenticity of information submitted to them. It is a natural fit for transactions between online brokerage firms and investors.

Despite the changes being made in the investor-brokerage relationship, we recognize that the Securities and Exchange Commission must retain full

regulatory authority in this industry. This legislation therefore authorizes the SEC to provide guidance on the use of electronic signatures by broker-dealers and others in the securities industry. The SECs active involvement in the move from physical to electronic signatures is important. If the change is to be orderly, the Commission must be familiar with the various types of electronic signatures available. The Commission, as the expert regulator of the securities industry, may determine that some forms of signature are superior to others for certain types of records.

Mr. President, the securities industry is experiencing explosive growth in electronic transactions, and this bill's response is necessary and appropriate. The industry and the investors who utilize this medium need the efficiencies and certainty this bill would provide. I believe that the more efficient transaction procedures that will result from the bill will translate into cost savings for customers and industry alike. And that should be the ultimate purpose of any securities legislation relating to electronic commerce.

Again, I would like to thank Senator MCCAIN and the majority leader for joining me in introducing this legislation. I hope the Senate Banking Committee can move on this legislation in the near future.

I ask unanimous consent that a copy of this legislation be printed into the RECORD.

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

S. 921

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Electronics Securities Transactions Act.''

SEC. 2. FINDINGS.

Congress finds that—

1. the growth of electronic commerce and electronic transactions represents a powerful force for econmic growth, consumer choice and creation of wealth;

2. inefficient transaction procedures impose unnecessary costs on investors and persons who facilitate transactions on their behalf;

3. new techniques in electronic commerce create opportunities for more efficient and safe procedures for effecting securties transactions; and

4. because the securities markets are an important national asset which must be preserved and strenghened, it is in the national interest to establish a framework to facilitate the economically efficient execution of securities transactions.

SEC. 3. PURPOSES.

The purposes of this act are—

1. to permit and encourage the continued expansion of electronic commerce in securities transactions; and

2. to facilitate and promote electronic commerce in securities transactions by clarifying the legal status of electronic signatures for signed documents and records used in relation to securities transactions involving broker-dealers, transfer agents and investment advisers.

SEC. 4. DEFINITONS.

For purposes of this subsection—

(1) ''document'' means any record, including without limitation any notification, consent, acknowledgement or written direction, intended, either by law or by custom, to be signed by a person.

(2) ''electronic'' means of or relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

(3) ''electronic record'' means a record created, stored, generated, received, or communicated by electronic means.

(4) ''electronic signature'' means an electronic identifying sound, symbol or process attached to or logically connectd with an electronic record.

(5) ''record'' or ''records'' means the same information or documents defined or identified as ''records'' under the Securities Exchange Act of 1934 and the Investment Advisers Act of 1940, respectively.

(6) ''transaction'' means an action or set of actions relating to the conduct of business affairs that involve or concern activities conducted pursuant to or regulated under the Securities Exchange Act of 1934 or the Investment Advisers Act of 1940 and occurring between two or more persons.

(7) Signature.—The term ''signature'' means any symbol, sound, or process executed or adopted by a person or entity, with intent to authenticate or accept a record.

SEC. 5. SECURITIES MODERNIZATION PROVISIONS.

(1) Section 15 of the Securities Exchange act of 1934 (15 USC 78o) is amended by adding the following new subsections thereto:

(*i*) Reliance on Electronic Signatures

(i) A registered broker or registered dealer may accept and rely upon an electronic signature on any application to open an account or on any other document submitted to it by a customer or counterparty, and such electronic signature shall not be denied legal effect, validity, or enforceability solely because it is an electronic signature, except as the Commission shall otherwise determine pursuant to Section 23 of this Act (15 USC 78w) or Section 36 of this Act (15 USC 78mm).

(ii) Where any provision of this Act or any regulation, rule, or interpretation promulgated by the Commission thereunder, including any rules of a self-regulatory organization approved by the Commission, requires a signature to be provided on any record such requirement shall be satisfied by an electronic record containing an electronic signature, except as the Commission shall otherwise determine pursuant to Section 23 of this Act (15 USC 78w) or Section 36 of this Act (15 USC 78mm).

(iii) A registered broker or registered dealer may use electronic signatures in the conduct of its business with any customer or counterparty, and such electronic signature shall not be denied legal effect, validity or enforceability solely because it is an electronic signature.

(iv) With regard to the use of or reliance on electronic signatures, no registered broker or registered dealer shall be regulated by, be required to register with, or be certified, licensed, or approved by, or be limited by or required to act or operate under standards, rules, or regulations promulgated by, a State government or agency or instrumentality thereof.

(2) Section 17A of the Securities Exchange Act of 1934 (15 USC 78q-1) is amended by adding the following new subsections thereto:

(g) Reliance on Electronic Signatures

(i) A registered transfer agent may accept and rely upon an electronic signature on any application to open an account or on any other document submitted to it by a customer or counterparty, and such electronic signature shall not be denied legal effect, validity or enforceability solely because it is an electronic signature, except as the Commission shall otherwise determine pursuant to Section 23 of this Act (15 USC 78w) or Section 36 of this Act (15 USC 78mm).

(ii) Where any provision of this Act or any regulation or rule promulgated by the Commission thereunder, including any rule of a self-regulatory organization approved by the Commission, requires a signature to be provided on any record such requirement shall be satisfied by an electronic record containing an electronic signature, except as the Commission shall otherwise determine pursuant to Section 23 of this Act (15 USC 78w) or Section 36 of this Act (15 USC 78mm).

(iii) A registered transfer agent may use electronic signatures in the conduct of its business with any customer or counterparty, and such electronic signature shall not be denied legal effect, validity or enforceability solely because it is an electronic signature.

(iv) With regard to the use of or reliance on electronic signatures, no registered transfer agent shall be regulated by, be required to register with, or be certified, licensed, or approved by, or be limited by or required to act or operate under standards, rules, or regulations promulgated by, a State government or agency or instrumentality thereof.

(3) Section 215 of the Investment Advisers Act of 1940 (15 USC 80b-15) is amended by adding the following new subsections thereto:

(c) Reliance on Electronic Signatures

(i) A registered investment adviser may accept and rely upon an electronic signature on any investment advisory contract or on any other document submitted to it by a customer or counterparty, and such signature shall not be denied legal effect, validity or enforceability solely because it is an electronic signature, except as the Commission shall determine pursuant to 206A of this Act (15 USC 806-6a) or Section 211 of this Act (15 USC 80b-11).

(ii) Where any provision of this Act or any regulation or rule promulgated by the Commission thereunder, including any rule of a self-regulatory organization approved by the Commission, requires a signature to be provided on any record such requirement shall be satisfied by an electronic record containing an electronic signature, except as the Commission shall otherwise determine pursuant to Section 206A of this Act (15 USC 80b-6a) or Section 211 of this Act (15 USC 80b-11).

(iii) A registered investment adviser may use electronic signatures in the conduct of its business with any customer or counterparty, and such electronic signature shall not be denied legal effect, validity or enforceability solely because it is an electronic signature.

(iv) With regard to the use or reliance on electronic signatures no registered investment adviser shall be regulated by, be required to register with, or be certified, licensed, or approved by, or be limited by or required to act or operate under standards, rules, or regulations promulgated by, a State government or agency or instrumentality thereof.

SEC. 6. RULEMAKING AUTHORITY.

The Commission is authorized to provide guidance on the acceptance of, reliance on and use of electronic signatures by any registered broker, dealer, transfer agent or investment adviser, as provided in section 5 above.

By Mr. ABRAHAM (for himself and Mr. HOLLINGS):

S. 922. A bill to prohibit the use of the ''Made in the USA'' label on products of the Commonwealth of the

Northern Mariana Islands and to deny such products duty-free and quota-free treatment; to the Committee on Finance.

THE ''MADE IN USA'' LABEL DEFENSE ACT OF 1999

Mr. ABRAHAM. Mr. President, I am very pleased today to join my distinguished colleague Senator HOLLINGS in introducing legislation to defend the truth and the integrity of the ''Made in USA'' label.

This is the second time, Mr. President, that the Senator from South Carolina and I have worked together to defend the ''Made in USA'' label.

Last Congress, when the Federal Trade Commission proposed to dilute the meaning of the ''Made in USA'' label by allowing that label on products with substantial foreign content, Senator HOLLINGS and I introduced a bipartisan resolution opposing this plan.

Our resolution urged the FTC to restore the traditional and honest standard for the use of the ''Made in USA'' label. That standard, which has been in existence for more than 50 years, is that products must be ''all or virtually all'' made in the U.S.A. in order to earn the label ''Made in USA.''

Mr. President, there was an overwhelming outpouring of grassroots support from the American people for this straightforward and honest standard and for our Resolution. In just a few months, a total of 256 Members of Congress, including the Majority and Minority Leaders of the U.S. Senate, joined us as cosponsors of our Senate Resolution and its companion bill in the House.

We were extremely pleased to see the FTC reverse its decision to dilute the ''Made in USA'' label and return to the traditional and time-tested standard for the use of the label. Frankly, this is the only standard that makes sense to the American consumers. If it says ''Made in USA'' the U.S. consumer has a right to expect that the entire product and all of its components was made by U.S. citizens.

This standard is honest. It is clear. It provides value for all those who look for the label and for those who have earned the use of it.

But in order to retain that value, the integrity of the ''Made in USA'' label must be defended. We cannot and will not permit the ''Made in USA'' label to be used misleadingly. It belongs to those American businesses and workers who follow the rules, pay the taxes, and work hard—often against the odds presented by unfair foreign competition—to continue to manufacture products here in America.

These workers are correct to insist that Congress protect this cherished symbol of American pride and workmanship from abuse and misuse.

That is why Senator HOLLINGS and I recently informed our colleagues of our intention to introduce ''The 'Made in USA' Label Defense Act of 1999.''

This legislation is necessary to close loopholes that currently allow the ''Made in USA'' label to be misused. These loopholes must be closed to prevent the inappropriate and misleading use of this label at the expense of American consumers, taxpayers, and U.S. workers.

The particular misuse of the ''Made in USA'' label which we seek to address involves a U.S. territory, the Commonwealth of the Northern Mariana Islands, or as it is sometimes referred to, Saipan.

To understand how this situation arose, some history is in order.

Saipan was the site of an important battle in World War II which cost America 15,000 casualties. Following the end of the war, it was administered by the U.S. on behalf of the United Nations as a district of the Trust Territory of the Pacific Islands from 1947 to 1986. In 1986, Saipan came under U.S. sovereignty pursuant to a Covenant that was approved by popular vote in Saipan and by the U.S. Congress (Public Law 94–241.) At that point, Saipan, now known as the Commonwealth of the Northern Mariana Islands, or CNMI, became an insular possession of the United States.

CNMI negotiators for this Covenant sought an exemption from U.S. immigration laws. This exemption was granted, but it came with a clear warning from the Reagan Administration: the exemption was not to be used to bring in a permanent alien labor force in order to evade duties and quotas on Asian textile products and to provide unfair competition to domestic textile industry. The duty free and quota free treatment provided to Headnote 3(a) industries such as textiles was to benefit local U.S. citizens living and working in the CNMI.

In a letter to the Governor of the CNMI in May of 1986, the year in which the Covenant was adopted, the Assistant Secretary for Territorial and International Affairs of Interior Department in the Reagan Administration, Richard R. Montoya, issued the following clear warnings to the Government of the CNMI:

> The recent news reports on the tremendous growth in alien labor in the Northern Mariana Islands are extremely disturbing. . . . I would be remiss if I did not speak frankly to you on the possible consequences of the NMI's alien labor policy.
>
> As I have often stated, the intent of the Congress in providing the privilege of Headnote 3(a) to the territories is to benefit local and not alien job and business growth. The extensive and permanent use of alien labor in Headnote 3(a) industries is an abuse which cannot be tolerated by the [Reagan] Administration.
>
> The objectives of the recently negotiated Covenant financial agreement could be derailed as the wholesale transfer of U.S. tax, trade and social benefits to non-U.S. citizens occurs under the CNMI's alien labor promotion policies.

Mr. President, I ask unanimous consent to insert the full text of this letter, dated May 7, 1986, from then-Assistant Secretary Richard Montoya to the then-Governor of the CNMI, Pedro Tenorio, at this point in my remarks.

At the time of the concerns raised in this letter, the total number of aliens in the CNMI was a mere 6,600 people. Today, the number of alien workers in the textile industry alone greatly exceeds this number. The number of non-U.S. citizens in the CNMI now tops 35,000, and actually exceeds the number of U.S. citizens in the territory. In fact, 91 percent of the entire private sector workforce is composed of alien labor.

Even more alarming, Mr. President, we are now told by U.S. Government officials and news media investigations that the People's Republic of China itself may actually be involved in running some of these garment factories in Saipan. According to the February 8, 1998 Philadelphia Inquirer: ''One of the biggest island factories is Marianas Garment Manufacturing, Inc.—indirectly owned by the China National Textiles Import and Export Corp. (Chinatech), a behemoth that handles $1.2 billion in Chinese textile exports to the world, much of it to the United States.'' If this is true, then companies owned by the communist Chinese government have succeeded in deceiving U.S. consumers and evading U.S. trade laws. Clearly, this is a situation that demands the immediate attention of and a firm response by both parties in the Congress.

But what concerns Senator HOLLINGS and myself and what directly prompted us to introduce this legislation is the direct effect of the CNMI situation on American consumers.

First, American consumers are deceived by the fact that, due to a loophole in U.S. law, the more than $1 billion worth of textile products that are now shipped each year from the CNMI to the U.S. can be legally labeled as ''Made in USA''—even though they are made with nearly all foreign labor and foreign materials.

This deceives American consumers, who have a right to expect that products labeled as ''Made in USA'' are made by U.S. workers with U.S. materials.

Second, American taxpayers are harmed because these foreign goods are allowed to be imported into the U.S. duty-free—as if they were made by U.S. workers. As the CNMI was so clearly warned by the Reagan Administration, duty free treatment for textiles from the insular possessions was designed to help local U.S. citizens in these territories.

This abuse of our duty-Free laws is costing American taxpayers an estimated $200 million annually. This $200 million could be used to fund a tax cut to the American people or could be used to reduce other duties.

Mr. President, let me say that I am a strong believer in free trade. I believe the U.S. and the whole world benefits form the unfettered movement of goods and services.

But the fact that foreign garment exports to the U.S are laundered in Saipan to escape duties and quotas has

nothing to do with free trade and everything to do with a form of subterfuge. We cannot allow those nations whose imports are subject to lawful duties and quotas to evade these laws at the expense of American taxpayers.

Third, American workers also are being harmed by this situation because the $200 million which these foreign imports escape paying to the U.S. Treasury acts as a subsidy for these misleadingly labeled products.

Mr. President, in order to address these concerns, I am proud to join today with my colleague from South Carolina in introducing a tightly crafted and narrowly drawn piece of legislation that will address these concerns.

Our bill is designed to protect Americans from the deleterious effects of the current situation by closing what we believe our colleagues will agree are two indefensible loopholes in current law:

(1) The loophole that allows these factories in the CNMI to use the ''Made in USA'' label on their products or in any way imply that they were produced or assembled in the United States.

(2) The loophole that allows foreign exports from the CNMI to masquerade as U.S.-made products for duty and quota purposes. Further, I will work to ensure that the estimated $200 million derived from eliminating the duty-free treatment of these products is rebated to the American taxpayer through tax cuts or tariff reductions.

If in the future the CNMI feels that the domestic content of its products has increased to the extent that a use of the ''Made in USA'' label on these products would no longer be deceptive to the consumer, then it can petition Congress for a change in the covenant. Given its history of ignoring warnings from both Republican and Democratic Administrations on this matter, Senator HOLLINGS and I believe that the burden should be on the CNMI to prove to Congress and the American people that products coming from the CNMI deserve to be labeled ''Made in USA.''

At the same time, Mr. President, we are currently engaged in the long and arduous process of bringing China into the World Trading Organization. I support China's admission into the WTO as long as they meet the same criteria which all member nations must meet and as long as they are truly dedicated to working to reduce and eliminate such trade barriers as quotas and tariffs. Our long-term objective must be to create a global trading regime where all nations conduct trade and commerce on a level playing field. However, until countries such as China demonstrate that they are prepared to adhere to such principles, we must continue to take certain steps to protect our own domestic industries and workers from the unfair trade practices utilized by some of our trading partners, such as those currently ongoing in the CNMI.

This legislation is a bipartisan compromise measure that I hope avoids the political pitfalls of previous measures. Mindful of Members who wish not to interfere in the domestic laws of the CNMI, our bill merely takes those minimal steps necessary to defend the ''Made in USA'' label from misuse and to enforce U.S. trade laws for the benefit of the American taxpayer. It simply prevents the substantive equivalent of foreign textile products from evading U.S. trade laws.

There will be those who argue that more is necessary, and this may be true. But Senator HOLLINGS and I are committed to doing that which can be done on a bipartisan basis and achieved in this Congress.

We urge our colleagues on both sides of the aisle to cosponsor this important legislation.

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

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

S. 922

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

SECTION 1. SHORT TITLE

This Act may be cited as the ''Equality for Israel at the United Nation Act of 1999.''

SEC. 2. EFFORT TO PROMOTE FULL QUALITY AT THE UNITED NATIONS FOR ISRAEL.

(a) CONGRESSIONAL STATEMENT.—It is the sense of the Congress that—

(1) the United States should help promote an end of the inequity experienced by Israel in the United Nations whereby Israel is the only longstanding member of the organization to be denied acceptance into any of the United Nations region blocs, which serve as the basis for participation in important activities of the United Nations, including rotating membership on the United Nations Security Council; and

(2) the United States Ambassador to the United Nations should take all steps necessary to ensure Israel's acceptance in the Western Europe and Others Group (WEOG) regional bloc, whose membership includes the non-European countries of Canada, Australia, and the United States.

(b) REPORTS TO CONGRESS.—Not later than 60 days after the date of the enactment of this Act and on a quarterly basis thereafter, the Secretary of State shall submit to the appropriate congressional committees a report which includes the following information (in classified or unclassified form as appropriate):

(1) actions taken by representatives of the United States, including the United States Ambassador to the United Nations, to encourage the nations of the Western Europe and Others Group (WEOG) to accept Israel into their regional bloc;

(2) efforts undertaken by the Secretary General of the United Nations to secure Israel's full and equal participation in that body;

(3) specific responses solicited and received by the Secretary of State from each of the nations of Western Europe and Others Group (WEOG) on their position concerning Israel's acceptance into their organization; and

(4) other measures being undertaken, and which will be undertaken, to ensure and promote Israel's full and equal participation in the United Nations.

By Mr. SMITH of Oregon (for himself, Mr. THOMAS, and Mr. BROWNBACK):

S. 923. A bill to promote full equality at the United Nations for Israel; to the Committee on Foreign Relations.

INTERNATIONAL AFFAIRS LEGISLATION

Mr. SMITH of Oregon. Mr. President, I rise today to introduce legislation requiring the Secretary of State to report on actions taken by our Ambassador to the United Nations to push the nations of the Western Europe and Others Group (WEOG) to accept Israel into their group.

As you may know, Israel is the only nation among the 185 member states that does not hold membership in a regional group. Membership in a regional group is the prerequisite for any nation to serve on key United Nations bodies such as the Security Council. In order to correct this inequality, I am introducing ''The Equality for Israel at the United Nations Act of 1999.'' I believe that this legislation will prompt our United Nations Representative to make equality for Israel at the United Nations a high priority.

I am proud to be joined by Senators BROWNBACK and THOMAS as original cosponsors of this important legislation.

Mr. President, Israel has been a member of the United Nations since 1949, yet it has been continuously precluded from membership in any regional bloc. Most member states from the Middle East would block Israel's membership in any relevant regional group. The Western Europe and Others Group, however, has accepted countries from other geographical areas—the United States and Australia for example.

Last year, United Nations Secretary General Kofi Annan announced that ''It's time to usher in a new era of relations between Israel and the United Nations * * *. One way to rectify that new chapter would be to rectify an anomaly: Israel's position as the only Member State that is not a member of one of the regional groups, which means it has no chance of being elected to serve on main organs such as the Security council or the Economic and Social Council. This anomaly would be corrected.''

I believe it is time to back Secretary General Annan's idea with strong support from the United States Senate and I ask all my colleagues to join me in sending this message to the UN to stop this discrimination against Israel.

By Mr. NICKLES (for himself, Ms. LANDRIEU, Mr. MURKOWSKI, Mr. DOMENICI, and Mrs. HUTCHISON):

S. 924. A bill entitled the ''Federal Royalty Certainty Act''; to the Committee on Energy and Natural Resources.

FEDERAL ROYALTY CERTAINTY ACT

Mr. NICKLES. Mr. President, I rise today to introduce the Federal Royalty Certainty Act. The domestic oil and gas industry is an essential element of the United States economy. The Administration needs to acknowledge the critical importance of this industry

and stop hindering it with regulatory obstacles. Right now, our domestic oil and gas procedures are reeling from low oil prices. In Oklahoma alone, 50,000 jobs are dependent on the oil industry. Last year, we had over 350 producing oil rigs in the country, now we have slightly over 100. The industry is in a state of depression, not a decline, and these conditions pose a threat to our national security and our economy.

The Administration's policies have failed domestic producers. What is needed is a comprehensive plan to maintain the viability of the domestic oil and gas industry. Part of that plan should be to eliminate or greatly reduce the administrative costs of the current royalty program with simple, clear and certain guidelines. We need to eliminate rules that are burdensome and excessively costly. The Nation cannot afford to allow the devastation of our domestic oil and gas industry to continue.

We should be taking action to encourage growth in the industry. Instead, the Administration has advocated policies that undermine it. We must raise our country's awareness and reverse this course of action by providing relief from big government and burdensome regulations. We must provide this critical segment of our economy fairness and efficiency in their contracts with the federal government.

Several years ago, I began taking a closer look at oil and gas produced from federal leases and the Department of the Interior's administration of those lease contracts. I was pleased when Congress passed the Royalty Simplification and Fairness Act which I introduced and which became law in August of 1996. What that Act accomplished was to streamline the accounting processes for federal royalties. While that Act made significant steps forward in simplifying the payment of federal royalties, the heart of the issue is still before us—what royalty does a lessee owe to the government under its lease contract for oil and gas produced from a federal lease? When a person or company contracts with the federal government, it should know exactly what is owed under the contract.

While this should be a simple question with a simple and unambiguous answer, that is unfortunately not the case today. There appears to be multiple answers, changing answers and a morass of regulatory interpretations that change over time. Such regulatory obstacles prevent industry from knowing what they owe and being able to make business decisions with that knowledge. It also prevents the collection of royalties easily and efficiently. Having a clear understanding of the correct amount due is the central and critical element of any successful royalty management program. Without it, the program cannot operate fairly, efficiently or cost effectively.

In January 1997, MMS issued a Notice of Proposed Rulemaking for a new oil valuation rule. The proposed rule was met with a firestorm of protests and thousands of pages of comments have ensued. Despite serious problems that have been raised with the proposal, its workability and its fairness, the Department has repeatedly stated that it will publish its rule as final. As a result, this Congress has imposed two moratoriums on the proposed rule and is in the process of imposing another. Congress and Industry have repeatedly attempted to initiate negotiations with DOI/MMS to no avail. The current moratorium continues until June 1, 1999. Secretary Babbitt has stated that the MMS would publish a final rule on June 1, 1999 and in Congressional briefings the MMS has stated that ''MMS does not believe that further dialogue on the rule would be productive.'' DOI Communications Director Michael Gaulding stated to Inside Energy that ''we're sticking to the position we've taken. It gives us an issue to demogogue for another year.'' Rather than perpetuate the moratoria I believe Congressional action is needed. I am therefore today introducing the ''Federal Royalty Certainty Act.'' This Act addresses and resolves issues related to royalties both when they are paid in value and in amount.

This bill amends the Outer Continental Shelf Lands Act and the Minerals Lands Leasing Act and provides that when payment of royalties is made in value, the royalty due is based on oil or gas production at the lease in marketable condition. When royalty is paid in kind, the royalty due is based on the royalty share of production at the lease. If the payment (in value or kind) is calculated from a point away from the lease, the payment is adjusted for quality and location differentials, and the lessee is allowed reimbursements at a reasonable commercial rate for transportation, marketing, and processing services beyond the lease through the point of sale, other disposition, or delivery

My bill will codify the fundamental, longstanding principle that royalty is due on the value of production at the lease. The Department of the Interior recognizes this principle and very recently has said ''royalty payments [should be] based on no more than the value of production at the lease'' (News Release, MMS 2/5/98), there should be agreement on this codification. This legislation provides proper adjustments when sales are made downstream of the lease to arrive at values that equal the value of production at the lease. In addition, this legislation includes a consistent basis for valuation of royalty both onshore and offshore. Importantly, this legislation also resolves many of the core issues related to the proposed rule on oil valuation in a manner that is fair and equitable to the people of the United States and the producers who have entered into contracts with the federal government. These provisions will reduce the costs of a complicated system that spawns disputes, while preserving the taxpayer's right to a fair return for its resources. As I have said on many occasions, we need to reduce unnecessary, burdensome and excessively costly regulations. We need a little common sense.

In summary, all interested parties need to work together to arrive at a workable, permanent solution—a system whereby the government can collect what is due in a manner that is simple, certain, consistent with lease agreements and fair to all parties involved. The Royalty Fairness bill was a significant first step to simplify and eliminate regulatory obstacles in the Department's accounting procedures. I believe that the Federal Royalty Certainty Act is an important next step.

Mr. DOMENICI. Mr. President, I want to commend Senator NICKLES for developing this legislation. Simply stated, it stands for the proposition that there has never been, is not now, nor ever shall be a ''duty to market.''

If you read a federal oil and gas lease there is no mention of a duty to market. It has been Mineral Management Services' (MMS) position that the duty to market is an implied covenant in the lease. And this legislation says that MMS is wrong.

Let me back up, and explain the issue and why this legislation is needed.

Oil and gas producers doing business on federal leases pay royalites to the federal government based on ''fair market value.'' Under the Clinton Administration, this is easier said than done. One of the long standing disputes between the Congress and the Mineral Management Service (MMS) has been the development of workable oil royalty valuation regulations that can articulate just exactly what fair market value is.

Cynthia Quarterman, the former director of the MMs, set out the Interior Department's position that fair market value includes a ''duty to market the lease production for the mutual benefit of the lessee and the lessor,'' but without the federal government paying its share of the costs. Many of these costs are transportation costs and they are significant. MMS calls it a duty to market, I call it federal government mooching.

This bill states Congressional intent: No duty to market, no federal government mooching. And let me be clear, whether there is a duty to market is a matter exclusively within the jurisdiction of Congress. It is not the job of lawyers at the MMS to raise the Congressionally set royality rate through the back door.

And, the so-called ''duty to market'' is a back door royalty increase—make no mistake about it.

The MMS has been unable to develop workable royalty valuation rules and Congress has had to impose a moratorium on these regulations. The core issue has been duty to market.

For this reason, I hope the Senate Energy and Natural Resources Committee will act expeditiously on this

legislation. In this period of hard economic times for the oil and gas industry, the oil royalty valuation issue should be resolved with certainty, fairness and without a hidden royalty rate increase.

By Mr. DOMENICI:

S. 925. A bill to require the Secretary of the military department concerned to reimburse a member of the Armed Forces for expenses of travel in connection with leave canceled to meet an exigency in connection with United States participation in Operation Allied Force; to the Committee on Armed Services.

REIMBURSEMENT FOR U.S. PERSONNEL INVOLVED IN KOSOVO

Mr. DOMENICI. Mr. President, I rise today to offer a bill to reimburse U.S. military personnel for costs incurred due to cancellation of travel plans. This bill would authorize DoD to reimburse the men and women involved in Kosovo operations in any instance where they are forced to pay a fee to the airlines for changes in travel plans or purchased non-refundable tickets.

In those instances where military personnel are recalled from leave or forced to cancel their leave plans due to the current crisis in Kosovo, the Defense Department is not authorized to reimburse them for costs incurred to change or cancel their personal travel plans.

Military legal offices only pay the claims that Congress has authorized them to pay through legislation. Currently, DoD is only authorized to pay very specific claims. These claims usually involve damage to government property. Personal property is only covered if the damage or loss is related to official duty. There is no statutory authority to reimburse a member who incurs additional costs related to their leave, even if these costs are a direct result of performing their duty as members of the U.S. military.

I find this situation preposterous. These men and women are being asked to cover expenses incurred through no fault of their own. In response to their commitment to an international security crisis, we tell them to foot the bill for any vacation plans they might have had.

In light of earlier legislation we passed this year to signal to our military personnel that Congress will not short-change them for their service to this country, this measure offers one additional token of our appreciation and pride.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

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

S. 925

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

SECTION 1. REIMBURSEMENT OF TRAVEL EXPENSES INCURRED BY MEMBERS OF THE ARMED FORCES IN CONNECTION WITH LEAVE CANCELED FOR INVOLVEMENT IN KOSOVO-RELATED ACTIVITIES.

(a) REQUIREMENT FOR REIMBURSEMENT.—The Secretary of the military department concerned shall reimburse a member of the Armed Forces under the jurisdiction of the Secretary for expenses of travel (to the extent not otherwise reimbursable under law) that have been incurred by the member in connection with approved leave canceled to meet an exigency in connection with United States participation in Operation Allied Force.

(b) ADMINISTRATIVE PROVISIONS.—The Secretary of Defense shall prescribe the procedures and documentation required for application for, and payment of, reimbursements to members of the Armed Forces under subsection (a).

By Mr. DODD (for himself, Mr. HAGEL, Mr. GRAMS, Mr. LUGAR, Mr. CHAFEE, Mr. LEAHY, Mr. KERREY, Mr. KERRY, Mr. LEVIN, Mr. KENNEDY, Mr. JEFFORDS, Mrs. LINCOLN, and Mrs. MURRAY):

S. 926. A bill to provide the people of Cuba with access to food and medicines from the United States, and for other purposes; to the Committee on Foreign Relations.

THE CUBAN FOOD AND MEDICINE SECURITY ACT OF 1999

● Mr. DODD. Mr. President, today Senator JOHN WARNER and twelve of our colleagues in the Senate are introducing a bill to end restrictions on the sale of food and medicine to Cuba—the so-called Cuban Food and Medicine Security Act of 1999. Our House colleagues JOSÉ SERRANO and JIM LEACH are introducing the House companion bill today as well.

Yesterday the Clinton Administration took some long overdue steps to end the practice of using food and medicine as foreign policy weapons. President Clinton has decided to reverse existing U.S. policy of prohibiting sales of such items to Iran, Libya, and Sudan. We applaud that decision. Joe Lockhart, the White House spokesman said President Clinton had decided that, ''food should not be used as a tool of foreign policy, except under the most compelling circumstances.''

In announcing the change in policy yesterday, Under Secretary of State Stuart Eizenstat stated that President Clinton had approved the policy after a two-year review concluded that the sale of food and medicine ''doesn't encourage a nation's military capability or its ability to support terrorism.''

I am gratified that the administration has finally recognized what we determined some time ago, namely that ''sales of food, medicine and other human necessities do not generally enhance a nation's military capacities or support terrorism.'' On the contrary, funds spent on agricultural commodities and products are not available for other, less desirable uses.

Regrettably, the Administration did not include Cuba in its announced policy changes. It seems to me terribly inconsistent to say that it is wrong to deny the children of Iran, Sudan and Libya access to food and medicine, but it is all right to deny Cuban children, living ninety miles from our shores, similar access. The administration's rationale for not including Cuba was rather confused. The best I can discern from the conflicting rationale for not including Cuba in the announced policy changes was that policy toward Cuba has been established by legislation rather than executive order, and therefore should be changed through legislative action.

I disagree with that judgment. However, in order to facilitate the lifting of such restrictions on such sales to Cuba, Senator WARNER, myself, and twelve of our Senate colleagues have decided to move forward with this legislation today.

It is our assumption that the Clinton Administration will support this legislation, since it does legislatively for Cuba what it has just instituted by Executive order for Sudan, Libya and Iran.

What about those who say that it is already possible to sell food and medicine to Cuba? To those people I would say, ''If that is what you think, then you should have no problem supporting this legislation.''

However, I must tell you, Mr. President, that the people who say that are not members of the U.S. agricultural or pharmaceutical industries. Ask any representative of a major drug or grain company about selling to Cuba and they will tell you it is virtually impossible.

The Administration's own statistics speak for themselves. Department of Commerce licensing statistics prove our point:

Between 1992 and mid-1997, the Commerce Department approved only 28 licenses for such sales, valued at less than $1 million, for the entire period. To give you some perspective: prior to the passage of the 1992 Cuba Democracy Act which shut down U.S. food and medicine exports, Cuba was importing roughly $700 million of such products on an annual basis from U.S. subsidiaries.

Moreover, since Commerce Department officials do no follow up on whether proposed licenses culminate in actual sales, the high water mark for the export of U.S. medicines to Cuba over a four and one half year period doesn't even represent roughly 0.1% of the exports of U.S. food and medicines that took place prior to 1992.

For these reasons we feel strongly that the complexities of the U.S. licensing process, coupled with on-site verification requirements, serve as de facto prohibitions on U.S. pharmaceutical companies doing business with Cuba. Food sales are virtually impossible to undertake as well.

Let me be clear—I am not defending the Cuban government for its human rights practices or some of its other

policy decisions. I believe that we should speak out strongly on such matters as respect for human rights and the treatment of political dissidents. But U.S. policy with respect to Cuba goes far beyond that—it denies eleven million innocent Cuban men, women and children access to U.S. food and medicine.

The highly respected human rights organization, Human Rights Watch—a severe critic of the Cuban government's human rights practices—recently concluded, that the ''(U.S.) embargo has not only failed to bring about human rights improvements in Cuba,'' it has actually ''become counterproductive'' to achieving that goal.

America is not about denying medicine or food to the people in Sudan, in Libya, or in Iran, and it shouldn't be about denying food and medicine to the Cuban people either, certainly not my America.

That is why I hope my colleagues will support this legislation when it comes to a vote later this year.●

● Mr. WARNER. Mr. President, I rise today as chief co-sponsor of the Cuban Food and Medicine Security Act of 1999. I am pleased to join my good friend and colleague Senator DODD and many of our colleagues in introducing this important legislation.

The goal of this bill is simple—alleviate the suffering of the Cuban people created by the inadequate supplies of food, medicine and medical supplies on that island nation less than 100 miles from our shore. If enacted, this legislation would authorize the President to permit the sale of food, medicine and medical equipment to the Cuban people.

The Cuban Food and Medicine Security Act of 1999 also mandates that a study be carried out on how to promote the consumption of U.S. agricultural commodities in Cuba through existing U.S. agricultural export promotion and credit programs and requires a report to Congress assessing the impact of the bill six months after its enactment.

Yesterday, President Clinton announced an important change in U.S. economic sanctions policy which will enable U.S. firms to sell food and medicine to Iran, Sudan and Libya. In making the announcement, Under Secretary of State Stuart Eizenstat stated ''Sales of food, medicine and other human necessities do not generally enhance a nation's military capabilities or support terrorism. On the contrary, funds spent on agricultural commodities and products are not available for other, less desirable uses. Our purpose in applying sanctions is to influence the behavior of regimes, not to deny people their basic humanitarian needs.''

This major change in the Administration's sanctions policy, however, will not affect Cuba because restrictions on the sale of food and medicine to that country are statutory. The legislation we are introducing today, however, would remove those restrictions on the sale of food and other agricultural products, medicine and medical supplies with regards to Cuba.

The time has come to stop using food and medicine as a foreign policy tool. I hope my colleagues will join us in supporting this important and timely legislation.●

By Mr. DODD (for himself and Mr. HAGEL):

S. 927. A bill to authorize the President to delay, suspend, or terminate economic sanctions if it is in the important national interest of the United States to do so; to the Committee on Foreign Relations.

THE SANCTIONS RATIONALIZATION ACT OF 1999

● Mr. DODD. Mr. President, I rise today to introduce a bill on behalf of myself and Senator HAGEL, which we hope will bring desperately needed reform to the process by which the United States imposes sanctions on other nations.

Eighty years ago, President Wilson formally added economic sanctions to America's foreign policy arsenal for the first time, saying that with sanctions as a weapon, ''there will be no need for force.'' In the intervening decades, we have taken a greater liking to sanctions than President Wilson ever could have imagined. I doubt very much, however, that he would approve of the way in which we employ that tool today nor of the results accomplished by sanctions.

When President Wilson described his idea of sanctions as a diplomatic tool, he was trying to convince the Senate to ratify American membership in the League of Nations. The sanctions he envisioned were broad, multi-national efforts designed to affect specific results under limited circumstances. He also intended sanctions to serve as one component of multi-stage escalation of diplomatic pressure, rather than a complete response.

Our method for imposing sanctions today bears almost no resemblance to President Wilson's original concept. Sanctions have become the first response to actions which are objectionable to the United States. Very often, they are also a response in and of themselves, rather than part of a coherent escalation of pressure. In addition, the vast majority of American sanctions are not the multilateral efforts President Wilson envisioned. Rather, Mr. President, they are unilateral efforts which anger our allies, damage our global standing, and hurt our own businesses and people. And lest we excuse the drawbacks of unilateral sanctions with the argument that the benefits for American foreign policy outweigh the harm, let me be very clear: there are very rarely such benefits.

For far too long we have subscribed to the mistaken view that sanctions represent concrete steps more powerful than mere condemnation and more speedy than diplomacy. Unilateral sanctions, Mr. President may make us feel good by severing access to American know-how, markets, ideas, and products. They may help us demonstrate that we are willing to be tough on governments with unacceptable policies or even allow us to appease a particular constituency that has clamored for action against a particular rogue nation.

What unilateral sanctions do not do, however, is work. We are blindfolded by our own rhetoric, Mr. President, if we think that sanctions are the key to correcting the behavior of targeted nations. A recent study found that perhaps one out of every five unilateral sanctions has any desired effect at all. And in those few cases where our goal was met, such as a change in the President of Colombia, sanctions were only one of many factors.

When we mention successes, we all too often ignore the much longer list of countries—including Haiti, Cuba, Libya, Iran, Iraq, China, Panama, and North Korea—where sanctions have failed. In fact, sanctions may even allow some authoritarian regimes to consolidate their control by providing them with a convenient scapegoat to blame for their domestic failures.

In addition, we must not lose sight of the unintended consequences of sanctions. They hurt our economy. They hurt our allies. They hurt our ability to achieve our foreign policy goals. Perhaps most of all, they hurt our own citizens. Mr. President, it is imperative that we move expeditiously to correct the deep flaws in our system for imposing sanctions. In recent years, Congress has imposed sanctions intended to discourage the proliferation of weapons of mass destruction and the ballistic missiles to deliver them, advance human rights and end genocide, end state-supported terrorism, discourage armed aggression, thwart drug trafficking, protect the environment and even, in a few cases, oust governments that are anathema to the United States.

Since President Wilson proposed the use of sanctions to realize American foreign policy goals, we have imposed them more than 110 times. Today, however, the situation is growing more acute. In just the past six years, Congress passed more than 70 sanctions. That is more than 11 per year. Last year, we had sanctions in place against 26 different countries which included more than half of the world's population.

When Congress passes these sanctions, however, it often takes a second congressional action to repeal them. This onerous process robs our nation of the ability to react to changing circumstances, interferes with the President and Secretary of State's mandate to negotiate with foreign governments and leaders and prevents the lifting of sanctions which have little chance of success while bringing harm on the United States' national interests. The bill that I am proposing today will correct these deficiencies by giving the

President the authority to delay, suspend or terminate any sanction that he determines is not in the United States' national interest.

We often think of sanctions as costless actions since they require no governmental appropriation. As business leaders and workers across the country will tell you, however, that perception is simply erroneous. In 1998, the United States had sanctions, of some sort, in place against 26 different nations including China and India, the two most populous nations in the world. Those sanctions covered well over half of the world's population, cutting American firms off from billions of potential customers. According to the Institute for International Economics here in Washington, the economic sanctions currently in effect cost American businesses $20 billion annually in lost export sales and cost America's workers 200,000 high-wage jobs.

Those figures, however, tell only part of the story. The cost to businesses does not end when the sanctions are repealed. Rather, the absence of American companies allows foreign competitors to make inroads leaving the American businesses to try battle the entrenched competition, along with any lingering popular resentment toward the United States, when the barriers fall. Needless to say, our allies think that American unilateral sanctions, while affording them a rather pleasant competitive advantage, lack a degree of rationality.

It would be shortsighted, Mr. President, to consider the cost merely in terms of the monetary loss. Rather, our wholesale use of unilateral sanctions damages our standing in the world community. Our diplomats have to spend an inordinate amount of time and effort trying to assuage the concerns of our allies who find themselves on the receiving end of some of our secondary sanctions. Meanwhile, when dealing with target nations, they are deprived of the ability to offer a carrot in exchange for policy changes. Moreover, the fact that more than half of the world's population is now on the receiving end of American sanctions and our willingness to impose sanctions when the rest of the world finds them unnecessary degrades our ability to convince other nations to follow our leadership.

Congress' current infatuation with sanctions also hampers our nation's ability to conduct diplomacy. The Constitution gives Congress a powerful role in foreign policy, from the power to declare war to the power to regulate commerce. Clearly, Congress is within its Constitutional mandate when it imposes sanctions on foreign governments. What Congress cannot do, however, is micro-manage our foreign policy on a day to day basis. The power to negotiate with foreign governments and leaders rests solely with the President. Anything which detracts from his ability to negotiate, including sanctions over which he has no control over, damages his ability to exact concessions and come to an agreement acceptable to the United States.

I am not arguing, Mr. President, that sanctions are not a legitimate foreign policy tool nor that, if used appropriately, they can be efficacious. Nor am I arguing that all sanctions currently in place should be removed. To the contrary, I strongly support sanctions against countries such as Iraq and Yugoslavia.

Sanctions, however, should be part of a comprehensive foreign policy with clear goals. They should be imposed for a finite period of time with an option to extend if the situation warrants continued pressure. Finally, sanctions must allow the President and Secretary of State the room they need to maneuver in order to effectively negotiate foreign governments.

It is also essential that we strive for multinational support of our sanctions. Board sanctions, either global or at least in concert with the other industrialized countries, not only have a far greater chance of affecting the desired result but minimize the threat to our international leadership, and domestic economy in both the short and long term.

Occasionally, other nations take actions so offensive to American policy that the United States must act regardless of foreign cooperation. In those cases, we must endeavor to minimize the negative effects our sanctions have on third countries and on our own economy. We must also carefully target our sanctions at the offending government officials rather than the general population—people who often have little or no ability to affect meaningful change.

Sanctions deserve a place, even a prominent place, in our foreign policy tool kit. Working with our allies, they can have the power President Wilson described shortly after witnessing the horrors of World War I. At the same time, Mr. President, we must not be so infatuated with sanctions as to replace tools which have stood us in such good stead for more than two centuries, such as diplomacy.

The legislation that my colleagues and I are introducing today will make the sanctions we do impose more powerful and improve the results while simultaneously reducing the costs to Americans and our allies. In fact, Mr. President, these reforms will lead to a stronger American foreign policy capable of realizing our foreign policy goals more quickly and with less effort. This bill will allow us to finally reach the goal Congress held when it began imposing sanctions at this alarming pace. Mr. President, I urge my colleagues to join me in supporting this bipartisan resolution and enacting these overdue reforms.●

● Mr. HAGEL. Mr. President, I am pleased to join with Senator DODD in introducing the Sanctions Rationalization Act. This bill would grant broad authority to the President to waive unilateral sanctions that no longer make sense and that he determines harm U.S. national interests.

Sanctions must remain a policy tool. But sanctions are only effective when they are multilateral.

This bill will complete the package of three sanctions reform bills that have been introduced this Congress. Senator DODD and I are sponsors or cosponsors of each of these three bills.

The first of these three sanctions reform bills is S. 757, the Sanctions Policy Reform Act. This legislation, introduced by Senator LUGAR would establish a sensible process for the enactment of future unilateral economic sanctions by either the President or the Congress. Among its safeguards, the Lugar bill would require a cost/benefit analysis and would require a study on the likelihood that the proposed sanctions would achieve their policy goals. It would also sunset all unilateral sanctions after two years unless reauthorized by Congress. The Lugar bill does not undo any existing sanctions, with one exception. It would make permanent the President's ability to waive the Glenn amendment for U.S. national security reasons. The Glenn amendment as originally drafted puts permanent unilateral sanctions on any country that tests a nuclear device.

I introduced the second bill, which is S. 327, the Food and Medicine Sanctions Relief Act. Senator DODD is the lead cosponsor on that bill. Food and medicine are basic humanitarian needs. As a matter of policy, food and medicine should not be included in unilateral sanctions. The President made a good first step in addressing this issue yesterday when he removed most, but not all, food and humanitarian goods from sanctions on Iran, Sudan and Libya. He did not lift restrictions on financing for agricultural sales, nor did he lift food and medicine sanctions on several other nations. He could not take these two additional steps because he is restricted from doing so by other legislation. My bill, S. 327, would enable him to adopt a comprehensive policy of exempting food and medicine from unilateral sanctions.

The bill Senator DODD and I are introducing today would also grant the President much broader authority to protect U.S. interests by waiving unilateral sanctions.

The Sanctions Rationalization Act allows the President, with Congressional review, to ''delay, suspend or terminate'' any unilateral economic sanction if he determines that it ''does not serve U.S. national interests.'' A Presidential waiver under the Act cannot go into effect for 30 days. This gives the Congress ample time to consider the Presidential action. The bill establishes expedited procedures to ensure that Congress would have a chance to disapprove the Presidential waiver if the action is unwise.

Finally, the legislation restricts the use of this Presidential waiver authority in specific cases. The President

cannot waive sanctions that are multilateral rather than unilateral. He is also restricted from waiving sanctions based on health or safety concerns, treaty obligations, and specific trade laws enacted to remedy unfair trade practices or market disruptions.

As a nation, we are letting unilateral sanctions isolate ourselves. Let me demonstrate why:

A CRS report on January 22, 1998 listed a total of 97 unilateral sanctions now in place.

A study by the National Association of Manufacturers found that from 1993–1996, the U.S. imposed unilateral sanctions 61 times against 35 countries. These 35 nations make up 42% of world population and 19% of world's $790 billion export market.

A study by the International Institute of Economics estimates that in 1995 alone unilateral sanctions cost Americans $15–20 billion in lost exports . . . which resulted in 200,000 lost jobs.

The National Foreign Trade Council has identified 41 separate legislative statutes on the books that either require or authorize the imposition of unilateral sanctions.

Repeated use of sanctions undermines confidence in America as a reliable supplier. Even after sanctions are lifted, Americans find it difficult or impossible to regain export markets.

Mr. President, each of the three bills I mentioned addresses an important feature of ending the overuse of unilateral economic sanctions. The Lugar bill would create a process for producing more effective sanctions policies for the future. The Hagel bill would exempt food and medicine from all unilateral economic sanctions. The Dodd bill is a final, critical reform. It would allow the President, with congressional review, to waive those sanctions laws that have become outdated and no longer serve U.S. national interests.

Again, I congratulate my colleague from Connecticut for his leadership on this issue. I am pleased to join him in introducing the Sanctions Rationalization Act.●

By Mr. SANTORUM (for himself, Mr. SMITH of New Hampshire, Mr. LOTT, Mr. ABRAHAM, Mr. ALLARD, Mr. ASHCROFT, Mr. BOND, Mr. BROWNBACK, Mr. BUNNING, Mr. BURNS, Mr. COCHRAN, Mr. CRAIG, Mr. CRAPO, Mr. DEWINE, Mr. DOMENICI, Mr. ENZI, Mr. FITZGERALD, Mr. Frist, Mr. GORTON, Mr. GRAMM, Mr. GRAMS, Mr. GRASSLEY, Mr. HAGEL, Mr. HATCH, Mr. HELMS, Mr. HUTCHINSON, Mr. INHOFE, Mr. KYL, Mr. LUGAR, Mr. MACK, Mr. MCCAIN, Mr. MCCONNELL, Mr. MURKOWSKI, Mr. NICKLES, Mr. ROBERTS, Mr. SESSIONS, Mr. SHELBY, Mr. SMITH of Oregon, Mr. THOMAS, Mr. THURMOND, Mr. VOINOVICH, and Mr. WARNER):

S. 928, A bill to amend title 18, United States Code, to ban partial-birth abortions; to the Committee on the Judiciary.

THE PARTIAL BIRTH ABORTION BAN ACT OF 1999

Mr. SANTORUM. Mr. President, I rise today to introduce the Partial Birth Abortion Ban Act. This bill is identical to the legislation endorsed by the American Medical Association (AMA) and vetoed by President Clinton in October, 1997. This bill is narrowly written to prohibit one particularly gruesome, inhumane, and medically unaccepted late term abortion method, except when the procedure is necessary to save the life of the mother.

Also known as Intact Dilation Evacuation or Intrauterine Cranial Decompression, a partial birth abortion is performed over a three day period during the second or third trimester. After the cervix is dilated over a two-day period, the doctor begins the actual abortion on the third day. Once the doctor turns the baby into the breech position, he delivers all but the head through the birth canal. At this point the child is still alive. Then, the doctor stabs the baby in the base of its skull with curved scissors and uses a suction catheter to remove the child's brain. This procedure kills the baby. After the skull collapses, the doctor completes the delivery.

Partial birth abortions are performed as outpatient procedures in clinics. They are usually done on healthy 20–25 week olds with healthy mothers. Estimates suggest as many as 5000 are performed annually in the U.S. We know of 1500 per year in one New Jersey clinic.

The American public finds this procedure repugnant. A growing consensus in the medical community considers it unnecessary and even unethical. Yet the reason this horrific procedure is still legal in the United States is because President Clinton has twice vetoed legislation that would have outlawed partial birth abortion, except in cases of maternal life endangerment.

The lies propagated by proponents of partial birth abortion have taken on a life of their own. First, we were told—and by we I mean Congress—there was no such thing as partial birth abortion. Three years after Dr. Martin Haskell, a pioneer of this technique, described it to the National Abortion Federation (NAF), the NAF sent a letter to Congress denying its existence. Then Congress was assured the fetus feels no pain during the procedure because anesthesia given to the mother induced ''neurological fetal demise.'' Such was the testimony of Dr. James McMahon, another pioneer of the partial birth abortion, to the House Judiciary Subcommittee on the Constitution. After pregnant women across the country started refusing necessary surgery, Dr. Norig Ellison, President of the American Society of Anesthesiologists, testified before the Senate Judiciary Committee to set the record straight. He told the Committee women would have to be anesthetized to the point where their own health was endangered to achieve ''neurological demise'' of the fetus. By the way, ''neurological demise'' refers to the ''brain death,'' not literal death. Not to be deterred, proponents of partial birth abortion circulated a third lie—anesthesia kills the fetus. Yet we know from Dr. Ellison's testimony and Dr. Haskell's own statements that the baby is alive during the procedure. Lie number four asserted partial birth abortions were ''rare.'' Then, a small newspaper in New Jersey discovered that 1500 of these ''rare'' procedures were performed each year in one clinic. This one clinic was performing three times the supposed national rate of partial birth abortions. Ron Fitzsimmons, executive director of the National Coalition of Abortion Providers, suggested as many as 5000 could be performed annually. Another egregious lie asserted this technique was only used in cases where the mother's life or health were at risk, or when the fetus was deformed. Ron Fitzsimmons helped spread this misinformation. He would later admit that he ''lied through my teeth.''

The last lie, which the President continues citing in defense of this procedure, proports that partial birth abortion is necessary to protect women's health. A group of more than 600 doctors, most of whom are OB–GYNs or perinatologists, call this lie the ''most serious distortion.'' In reality, partial birth is never medically necessary. That is the opinion of doctors across this country. The AMA says it is ''not medically indicated,'' ''is not good medicine,'' is ''ethically wrong'' and ''is not an accepted 'medical practice' ''. Former Surgeon General C. Everett Koop, who has 30 years of experience in pediatric surgery, has publicly denounced this procedure. Dr. Warren Hern, who wrote the most widely used textbook on performing abortions admitted he ''* * * would dispute any statement that this is the safest procedure to use.'' The Physicians Ad Hoc Coalition for Truth (PHACT), a group of over 600 doctors, emphatically states that partial birth abortion is never medically necessary and ''should be banned in the interests of women, their children, and the proper practice of medicine.''

There is absolutely no evidence that partial birth abortion is a safe procedure. There are no peer reviewed scientific studies. It is not mentioned in medical textbooks or taught in medical schools. The facts, as reviewed by doctors, suggest this technique is in fact dangerous for women. Because of the deliberate breech positioning and the blind procedure of stabbing the baby at the base of its skull, partial birth abortion subjects women to risks beyond those normally encountered in conventional late term abortions. Furthermore, it could not be used in the two most common life endangering conditions during pregnancy, infection and hemorrhage, because it puts women at greater risk for both.

Conditions such as hydrocephaly, trisomy, Downs Syndrome, and development of the organs or brain outside the body have been cited as instances in which partial birth abortion was recommended to preserve a woman's life, health, or future fertility. There are tragic situations that require separation of the child from the mother. But it is never necessary to kill the child during that separation to preserve maternal health.

I have met families who were advised to have a partial birth abortion after their child was diagnosed with a disability. These mothers faced many of the same struggles, such as concerns for their other children, concerns about whether they would be able to care for a handicapped baby, and finding a doctor who was willing to deliver the child. As the Senate considers the Partial Birth Abortion Ban Act, I will tell the stories of these families and the children.

In closing, I ask my colleagues to examine this issue with their hearts. We know of two baby girls, one born in Phoenix and the other in Ohio, who survived this brutal procedure. Baby Phoenix overcame cuts and a skull fracture sustained during a partial birth abortion procedure. Today, she lives with her adopted parents in Texas. Baby Hope lived only three hours and eight minutes. She was born prematurely during the first dilation stage of a partial birth abortion. Her life was short, but she personalized this issue for the hospital staff who gently nursed her for those few hours. I ask that my colleagues consider whether these little girls deserved to be subjected to partial birth abortions. I ask them to consider that these children were not catch phrases, slogans, or concepts. These babies, and other candidates for partial birth abortions, are human beings. They are being killed with a procedure that would not be legal for use on animals. I ask my colleagues to do the right thing and vote to outlaw this horrific procedure.

Mr. President, I ask unanimous consent that the text of the Partial Birth Abortion Ban Act of 1999 be inserted into the RECORD.

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

S. 928

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Partial-Birth Abortion Ban Act of 1999''.

SEC. 2. PROHIBITION ON PARTIAL-BIRTH ABORTIONS.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 73 the following:

''CHAPTER 74—PARTIAL-BIRTH ABORTIONS

''Sec.
''1531. Partial-birth abortions prohibited.

''§ 1531. Partial-birth abortions prohibited

''(a) Any physician who, in or affecting interstate or foreign commerce, knowingly performs a partial-birth abortion and thereby kills a human fetus shall be fined under this title or imprisoned not more than two years, or both. This paragraph shall not apply to a partial-birth abortion that is necessary to save the life of a mother whose life is endangered by a physical disorder, illness, or injury. This paragraph shall become effective one day after enactment.

''(b)(1) As used in this section, the term 'partial-birth abortion' means an abortion in which the person performing the abortion partially vaginally delivers a living fetus before killing the fetus and completing the delivery.

''(2) As used in this section, the term 'physician' means a doctor of medicine or osteopathy legally authorized to practice medicine and surgery by the State in which the doctor performs such activity, or any other individual legally authorized by the State to perform abortions: *Provided*, *however*, That any individual who is not a physician or not otherwise legally authorized by the State to perform abortions, but who nevertheless directly performs a partial-birth abortion, shall be subject to the provisions of this section.

''(3) As used in this section, the term 'vaginally delivers a living fetus before killing the fetus' means deliberately and intentionally delivers into the vagina a living fetus, or a substantial portion thereof, for the purpose of performing a procedure the physician knows will kill the fetus, and kills the fetus.

''(c)(1) The father, if married to the mother at the time she receives a partial-birth abortion procedure, and if the mother has not attained the age of 18 years at the time of the abortion, the maternal grandparents of the fetus, may in a civil action obtain appropriate relief, unless the pregnancy resulted from the plaintiff's criminal conduct or the plaintiff consented to the abortion.

''(2) Such relief shall include—

''(A) money damages for all injuries, psychological and physical, occasioned by the violation of this section; and

''(B) statutory damages equal to three times the cost of the partial-birth abortion.

''(d)(1) A defendant accused of an offense under this section may seek a hearing before the State Medical Board on whether the physician's conduct was necessary to save the life of the mother whose life was endangered by a physical disorder, illness or injury.

''(2) The findings on that issue are admissible on that issue at the trial of the defendant. Upon a motion of the defendant, the court shall delay the beginning of the trial for not more than 30 days to permit such a hearing to take place.

''(e) A woman upon whom a partial-birth abortion is performed may not be prosecuted under this section, for a conspiracy to violate this section, or for an offense under section 2, 3, or 4 of this title based on a violation of this section.''.

(b) CLERICAL AMENDMENT.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 73 the following new item:

''74. Partial-birth abortions ..... 1531''.

● Mr. DEWINE. Mr. President, I am very proud to join my distinguished colleague, Senator SANTORUM, in introducing this legislation to ban one of the most barbaric practices ever tolerated in a civilized society. The Partial Birth Abortion Ban Act is a measure we have already passed twice, only to see it overturned by Presidential vetoes. Enactment of this bill into law is long overdue.

A recent tragic event in my own home state of Ohio brings home yet again the need for this ban.

On April 6, a young woman went into the Dayton Medical Center in Montgomery County, Ohio, to undergo a partial-birth abortion. This is a procedure that usually takes place behind closed doors, where it can be ignored, its moral status left unquestioned.

But this particular procedure was different. In this procedure, on April 6, things did not go as planned. Here's what happened.

The Dayton abortionist, Dr. Martin Haskell, started a procedure to dilate her cervix, so the child could eventually be removed and killed. He applied seaweed to start the procedure. He then sent her home—because this procedure usually takes two or three days. In fact, the patient is supposed to return on the second day for a further application of seaweed—and then come back a third time for the actual partial-birth abortion.

So the woman went home to Cincinnati, expecting to return to Dayton and complete the procedure in two or three days. But her cervix dilated far too quickly. Shortly after midnight in the first day, after experiencing severe stomach pains, she was admitted to Bethesda North Hospital in Cincinnati.

The child was born. After three hours and eight minutes, the child died.

The cause of death was listed on the death certificate as ''prematurity secondary to induced abortion.''

True enough, Mr. President. But also on the death certificate is a space for ''Method of death.'' And it says, in the case of this child, quote, ''Method of death: natural.''

Now that, Mr. President, may well be true in the technical sense. But if you look at the events that led up to her death, you'll see that there was really nothing natural about them about them at all.

The medical technician who held that little girl for the three hours and eight minutes of her short life named her Baby Hope. Baby Hope did not die of natural causes. She was the victim of a barbaric procedure that is opposed by the vast majority of the American people. A procedure that has twice been banned by act of Congress—only to see the ban repeatedly overturned by a Presidential veto.

The death of Baby Hope did not take place behind the closed doors of an abortion clinic. It took place in public—in a hospital dedicated to saving lives, not taking them. It reminds us of the brutal reality and tragedy of what partial birth abortion really is.

When we voted to ban partial-birth abortions, we talked about this procedure in graphic detail. The public reaction to this disclosure—the disclosure of what partial-birth abortion really is—was loud and it was decisive. And there is a very good reason for this. The procedure is barbaric.

One of the first questions people ask is ''why?''

''Why do they do this procedure? Is it really necessary? Why do we allow this to happen?''

Dr. C. Everett Koop speaks for the consensus of the medical profession when he says this is never a medically necessary procedure. Even Martin Haskell—the abortionist in the Baby Hope case—has admitted that at least eighty percent of the partial-birth abortions he performs are elective.

The facts are clear. Partial-birth abortion is not that rare a procedure. What is rare is that we—as a society—saw it happen. It happened by surprise, at a regular hospital, where it wasn't supposed to.

Baby Hope was not supposed to die in the arms of a medical technician. But she did. And she cannot easily be ignored.

This procedure is not limited to mothers and fetuses who are in danger. It's performed on healthy women—and healthy babies—all the time.

The goal of a partial birth abortion is not to protect somebody's health but to kill a child. That is what the doctor wants to do.

Dr. Haskell himself has said as much. In an interview with the American Medical News, he said—and I quote—''you could dilate further and deliver the baby alive but that's really not the point. The point is you are attempting to do an abortion. And that's the goal of your work, is to complete an abortion. Not to see how do I manipulate the situation so that I get a live birth instead.'' Unquote.

Dr. Haskell admitted it. Why don't we?

Again, let's hear Dr. Haskell describe this procedure. Quote: ''I just kept on doing D&Es (dilation and extractions) because that was what I was comfortable with, up until 24 weeks. But they were very tough. Sometimes it was a 45-minute operation. I noticed that some of the later D&Es were very, very easy. So I asked myself why can't they all happen this way. You see the easy ones would have a foot length presentation, you'd reach up and grab the foot of the fetus, pull the fetus down and the head would hang up and then you would collapse the head and take it out. It was easy.''

It was easy, Mr. President. Easy for him. He doesn't say it was easy for the mother, and I suspect he doesn't care. His goal is to perform abortions. Is he the person we're going to trust to decide when abortions are necessary? He's got a production line going—and nothing's going to stop him from meeting his quota.

Dr. Haskell continues: ''At first, I would reach around trying to identify a lower extremity blindly with the tip of my instrument. I'd get it right about 30–50 percent of the time. Then I said, 'Well gee, if I just put the ultrasound up there I could see it all and I wouldn't have to feel around for it.' I did that and sure enough, I found it 99 percent of the time. Kind of serendipity.'' End of quote.

Serendipity, Mr. President.

Let me conclude.

We need to ask ourselves, what does our toleration of this procedure say about us, as a nation?

Where do we draw the line? At what point do we finally stop saying, ''I don't really like this, but it doesn't really matter to me, so I'll put up with it?''

At what point do we say, unless we stop this from happening, we cannot justly call ourselves a civilized nation?

Mr. President, when you come right down to it, America's moral anesthetic is wearing off. We know what's going on behind the curtain—and we can't wish that knowledge away. We have to face it—and do what's right.

We have to make the Partial Birth Abortion Ban Act the law of the land. Twice in the last three years, Congress has passed this legislation with strong, bipartisan support, only to see it fall victim to a Presidential veto. Once again, I am confident Congress will do the right thing and pass this very important bill.

But that's not enough, Mr. President. Passing this legislation in Congress is not enough. It will not save any lives. For lives to be saved, the bill must become law.

If something happens behind the iron curtain of an abortion clinic it's easier to pretend that it doesn't happen. But the death of Baby Hope has torn that curtain, revealing the truth of this barbaric procedure. Let people not ask about us fifty years from now, ''How can they not have known?'' and ''Why didn't they do anything?''

Because, Mr. President, the fact is: We do know. And we must take action.●

By Mr. ROBB (for himself, Mrs. HUTCHISON, Mr. KERREY, Mr. HAGEL, Mr. REED, Mr. SMITH of New Hampshire, Mr. CLELAND, Mr. ABRAHAM, and Mr. HUTCHINSON):

S. 929. A bill to provide for the establishment of a National Military Museum, and for other purposes; to the Committee on Armed Services.

NATIONAL MILITARY MUSEUM ACT

Mr. ROBB. Mr. President, when future generations search for ''lessons learned'' from America's 18th, 19th and 20th century military experiences, they no doubt will be accessible through dusty texts, dated documentary videos, or long-forgotten Congressional transcripts.

I am concerned, however, that these lessons will not carry forward into the next century as an enduring reminder of the true costs, and the true benefits, of waging wars, on behalf of freedom and democracy.

Increasingly, we have seen the gap between the military, and the rest of society, widen.

Early in the next century, for example, we expect that less than four percent of the population will be veterans, down from over 11 percent in 1980.

This means that fewer and fewer civilians will have a personal understanding of the military, making it more and more difficult to pass on to successive generations, one of our most powerful military assets—our experience.

How then do we ensure that we don't ''repeat'' our past mistakes—and that we build on our past successes?

Mr. President, I am joined by Senators HUTCHISON, of Texas, KERREY of Nebraska, HAGEL, REED of Rhode Island, SMITH of New Hampshire, CLELAND, ABRAHAM, and HUTCHINSON of Arkansas in introducing the National Military Museum Act.

It will teach visitors about each of the major wars in which America has fought.

Finally, it will help build pride, in our military, and the nation.

The United States, through the fine stewardship of the Smithsonian Institution, operates over a score of excellent national museums—from the National Portrait Gallery, to the National Postal Museum, yet none of these are dedicated to the armed forces.

In fact, the individual military services have many museums—the Army alone, has over 60.

We also have military artifacts and battles represented in sections of some of the Smithsonian museums.

Yet we do not have a single, prestigious, integrated national museum to tell America's military story and to honor our armed forces.

This is an extraordinary shortcoming in the telling of our national heritage.

By contrast, many of our key allies have national military museums.

The British Imperial War Museum, and the Australian War Memorial, are two fine examples.

The United States is a nation that has influenced world events decisively over the last century and will continue to do so for centuries to come.

And it is a military power that has sought not to conquer other lands, but to bring freedom, and democracy to the entire world.

History shows few if any nations, with such disproportionate means, employing force for such consistently altruistic ends.

Yet we have no national place to tell, this extraordinary story.

Mr. President, where, would a teenager interested in World War I, World War II, Korea, or Vietnam, go, to learn more about these wars? There really is no museum displaying artifacts from these wars, in a comprehensive fashion.

We do in fact have several fine Civil War museums, but the lack of representations of so many other wars is remarkable.

The idea of a National Military Museum goes back to the late 1800s.

Several attempts to build this museum, (including a concerted effort by President Truman) failed, for various reasons: inadequate funding, post-war disillusionment, or blueprints that were too ambitious.

Now, as we enter the 21st century, the time is right to display the enormous inventories of artifacts, that have been accumulated from this century—especially from conflicts since World War II.

As now envisioned, the National Military Museum would include display sections for each of the military services as well as separate sections for each of the country's major wars.

A spectacular atrium would house large items, from: missiles to ship sections to aircraft.

Based on a review of numerous potential sites, this legislation authorizes that the new museum be located on the Navy Annex property just west of the Pentagon.

Bounded symbolically, by Arlington National Cemetery, to the north, and offering a commanding view of the capital area, this location is ideal, and one of the last available parcels, in the area, suitable for a museum of this scope and importance.

The museum would share a large 55-acre tract of land with an expansion of Arlington National Cemetery and possibly other veterans' memorials.

The buildings currently on this land, are slated for demolition around 2015.

The National Military Museum Act establishes a National Military Museum Foundation, which will be responsible for the design construction, and operation, of the museum.

The Foundation's Board, will consist of 10 members, and their first action will be to conduct a study on the siting, design, environmental impact, and governing of the museum.

The Foundation may recommend that the museum, become part, of the Smithsonian Institution.

Assuming no Congressional action, upon receipt of both this study, and a General Accounting Office evaluation, the Foundation will proceed with final design preparations, and pursue fundraising.

Construction would begin after demolition of the existing Navy Annex buildings.

Mr. President, I am very pleased to introduce this legislative cornerstone, for building, one of the most important, and—I would anticipate—most visited museums, in the world.

Let us honor our nation's military with this long overdue museum.

Let us safeguard our past, so that future generations will know what has been done before—and what may have to be done again, in the future—to push back the forces of tyranny, and to preserve the freedoms, we are so fortunate to enjoy.

By Mr. REID (for himself and Mr. BRYAN):

S. 930. A bill to provide for the sale of certain public land in the Ivanpah Valley, Nevada, to the Clark County, Nevada, Department of Aviation; to the Committee on Energy and Natural Resources.

IVANPAH VALLEY AIRPORT PUBLIC LAND TRANSFER ACT

Mr. REID. Mr. President, I rise today to introduce the Ivanpah Valley Airport Public Land Transfer Act. This act authorizes the Secretary of Interior to convey, at fair market value, certain lands in the Ivanpah Valley to the Clark County Department of Aviation. Authorization of this conveyance will allow the Department to proceed with the proposed development of a new airport to serve Southern Nevada.

As you are aware, growth in both the general population and the tourism industry in Southern Nevada has been and is expected to continue to be very strong. Statistics show that over half the people who come to Southern Nevada now come by air. From 1985 to 1998, operations at McCarran Airport increased at an annual rate of approximately five percent. Even if this growth rate slows to two percent, activities at McCarran will be at or exceed capacity by the year 2014. At this level, the traveling public will also experience significant delays. It is obvious we must begin to plan now for the future.

The Department of Aviation has completed an extensive review of options available for meeting the growing needs for air traffic in Southern Nevada. These options included construction of a new runway at McCarran and the building of an entirely new airport at any one of four different sites. Analysis of these options shows that for a variety of technical, safety-related, and economic reasons, the Ivanpah site is the only option that can accommodate the growing air traffic needs of the region.

The bill Senator BRYAN and I introduce today is based on similar legislation that was introduced in both the House and Senate in the 105th Congress. However, this bill incorporates changes from the prior legislation to address environmental concerns and issues that were raised by the Bureau of Land Management in testimony before the House Resources Subcommittee on National Parks and Public Lands last year. Some of those concerns were related to endangered species habitat, potential conflicts with existing uses, and determination of fair market value for the lands to be conveyed.

Congress should be aware that this is not a giveaway. Clark County will pay fair market value for the land and the airport will be publicly owned and operated. The bill also provides that the revenues collected by the government for the sale will be available for other use by the BLM under the terms of the Southern Nevada Public Land Management Act of 1998.

The Clark County Department of Aviation is committed to the preparation of necessary environmental documentation for airport construction once Congressional approval for the land sale is granted. The County cannot, however, invest the substantial amounts of time, dollars, and resources an environmental study demands without assurance the site will be available for purchase should an airport be deemed to have no significant negative impacts. The bill also provides for return of the land to the Department of Interior, should airport development prove to be infeasible.

I thank my fellow Senator from Nevada, Mr. BRYAN, for his support on this issue and urge my colleagues to vote for passage of this bill.

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

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

S. 930

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

SECTION. 1. SHORT TITLE.

This Act may be cited as the ''Ivanpah Valley Airport Public Land Transfer Act''.

SEC. 2. CONVEYANCE TO CLARK COUNTY, NEVADA, DEPARTMENT OF AVIATION.

(a) IN GENERAL.—

(1) CONVEYANCE.—Notwithstanding the land use planning reqirements contained in sections 202 and 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1711, 1712), on occurrence of the conditions specified in subsection (b), the Secretary of the Interior (referred to in this section as the ''Secretary'') shall convey to Clark Country, Nevada, on behalf of the Department of Aviation (referred to in this section as the ''Department''), all right, title, and interest of the United States in and to the public land identified for disposition on the map entitled ''Ivanpah Valley, Nevada-Airport Selections'' numbered 01 and dated April 1999, for the purpose of developing an airport facility and related infrastructure.

(2) MAP.—The map described in paragraph (1) shall be on file and available for public inspection in the offices of the Director of the Bureau of Land Management and the Las Vegas District of the Bureau of Land Management.

(b) CONDITIONS.—The Secretary shall make the conveyance under subsection (a) if—

(1) the Department conducts an airspace assessment to identify any potential adverse effect on access to the Las Vegas basin under visual flight rules that would result from the construction and operation of a commercial or primary airport, or both, on the land to be conveyed;

(2) the Administrator of the Federal Aviation Administration certifies to the Secretary that—

(A) the assessment under paragraph (1) is thorough; and

(B) alternatives have been developed to address each adverse effect identified in the assessment, including alternatives that ensure access to the Las Vegas basin under visual flight rules at a level that is equal to or better than the access in existence as of the date of enactment of this Act; and

(3) the Department enters into an agreement with the Secretary to retain ownership of Jean Airport and to maintain and develop Jean Airport as a general aviation airport.

(c) PHASED CONVEYANCES.—At the option of the Department, the Secretary shall convey the land described in subsection (a) in parcels over a period of up to 20 years, as may be required to carry out the phased construction and development of the airport facility and infrastructure on the land.

(d) CONSIDERATION.—

(1) IN GENERAL.—As consideration for the conveyance of each parcel, the Department shall pay the United States an amount equal to the fair market value of the parcel.

(2) DETERMINATION OF FAIR MARKET VALUE.—

(A) INITIAL 3-YEAR PERIOD.—During the 3-year period beginning on the date of enactment of this Act, the fair market value of a parcel to be conveyed under subsection (a) shall be based on an appraisal of the fair market value of the parcel as of a date not later than 180 days after the date of enactment of this Act.

(B) SUBSEQUENT APPRAISALS.—

(i) IN GENERAL.—The fair market value of each parcel conveyed after the end of the 3-year period referred to in subparagraph (A) shall be based on a subsequent appraisal.

(ii) FACTORS.—An appraisal conducted after that 3-year period—

(I) shall take into consideration the parcel in its unimproved state; and

(II) shall not reflect any enhancement in the value of the parcel based on the existence or planned construction of infrastructure on or near the parcel.

(3) USE OF PROCEEDS.—The proceeds of the sale of each parcel—

(A) shall be deposited in the special account established under section 4(e)(1)(C) of the Southern Nevada Public Land Management Act of 1998 (112 Stat. 2345); and

(B) shall be disposed of by the Secretary as provided in section 4(e)(3) of that Act (112 Stat. 2346).

(e) REVERSIONARY INTEREST.—

(1) IN GENERAL.—During the 5-year period beginning 20 years after the date on which the Secretary conveys the first parcel under subsection (a), if the Secretary determines that the Department is not developing or progressing toward the development of the parcel as part of an airport facility, the Secretary may exercise a right to reenter the parcel.

(2) PROCEDURE.—Any determination of the Secretary under paragraph (1) shall be made on the record after an opportunity for a hearing.

(3) REFUND.—If the Secretary exercises a right to reenter a parcel under paragraph (1), the Secretary shall refund to the Department an amount that is equal to the amount paid for the parcel by the Department.

(f) WITHDRAWAL.—The public land described in subsection (a) is withdrawn from mineral entry under—

(1) sections 910, 2318 through 2340, and 2343 through 2346 of the Revised Statutes (commonly known as the ''General Mining Law of 1872'') (30 U.S.C. 21, 22, 23, 24, 26 through 30, 33 through 43, 46 through 48, 50 through 53); and

(2) the Act of February 25, 1920 (commonly known as the ''Mineral Lands Leasing Act of 1920'') (41 Stat. 437, chapter 85; 30 U.S.C. 181 et seq.).

(g) MOJAVE NATIONAL PRESERVE.—The Secretary of Transportation shall consult with the Secretary in the development of an airspace management plan for the Ivanpah Valley Airport that, to the extent practicable and without adversely affecting safety considerations, restricts aircraft arrivals and departures over the Mojave National Preserve, California.

By Mr. MCCAIN (for himself, Mr. LIEBERMAN, and Mr. CONRAD):

S.J. Res. 23. A joint resolution expressing the sense of the Congress regarding the need for a Surgeon General's report on media and violence; to the Committee on Health, Education, Labor, and Pensions.

SURGEON GENERAL'S MEDIA VIOLENCE REPORT ACT

Mr. MCCAIN. Mr. President, an entire nation was stunned this past week with the shocking violence that unfolded in Littleton, Colorado. Perhaps, if this had been an isolated incident, we could have written it off as two crazed individuals. However, the tragic reality is that it was not an isolated incident, but another in an increasing pattern of violence in our schools. Even more disturbing is that these schoolyard shootings are occurring against the backdrop of ever-escalating youth violence, and suicide.

This is an extraordinarily complex problem, with many contributing factors. However, what this comes down to is responsibility, and the most basic and profound responsibility that our culture—any culture—has, is raising its children. We are failing that responsibility, and the extent of our failure is being measured in the deaths, and injuries of our kids in the schoolyard and on the streets of our neighborhoods and communities.

Primary responsibility lies with families. As a country, we are not parenting our children. We are not adequately involving ourselves in our children's lives, the friends they hang out with, what they do with their time, the problems they are struggling with. This is our job, our paramount responsibility, and most unfortunately, we are failing. We must get our priorities straight, and that means putting our kids first.

However, parents need help. They need help because our homes and our families—our children's minds, are being flooded by a tide of violence. This dehumanizing violence pervades our society: our movies depict graphic violence; our children are taught to kill and maim by interactive video games; the Internet, which holds such tremendous potential in so many ways, is tragically used by some to communicate unimaginable hatred, images and descriptions of violence, and ''how-to'' manuals on everything from bomb construction to drugs. Our culture is dominated by media, and our children, more-so than any generation before them, is vulnerable to the images of violence and hate that, unfortunately, are dominant themes in so much of what they see, and hear.

Thus, today I rise to introduce, calling upon the Surgeon General to conduct a comprehensive study of media violence, in all its forms, and to issue a report on its effects, and recommendations on how we can turn this tragic tide of youth violence.

As I have said, this is a complex challenge. Certainly, working with the media industry, we can come to some consensus on immediate measures that can be taken to curb our children's access to the types of excessive and gratuitous violence that is currently flooding our homes and families. However, the crisis we are currently facing did not occur overnight, and we must take time to achieve a comprehensive understanding of how media violence affects childhood development, and what children are most at risk to its impact.

Again, I urge all Americans to get involved in their kids' lives. Ask questions, listen to their fears and concerns, their hopes and their dreams. Children are not simply small adults.

Childhood is a time of innocence, a time to teach discipline and values. Our children are our most precious gift, they are full of innocence and hope. We must work together to preserve the sanctity of childhood.

ADDITIONAL COSPONSORS

S. 51

At the request of Mr. BIDEN, the names of the Senator from North Carolina (Mr. EDWARDS) and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of S. 51, a bill to reauthorize the Federal programs to prevent violence against women, and for other purposes.

S. 58

At the request of Ms. COLLINS, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 58, a bill to amend the Communications Act of 1934 to improve protections against telephone service ''slamming'' and provide protections against telephone billing ''cramming'', to provide the Federal Trade Commission jurisdiction over unfair and deceptive trade practices of telecommunications carriers, and for other purposes.

S. 218

At the request of Mr. MOYNIHAN, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 218, a bill to amend the Harmonized Tariff Schedule of the United States to provide for equitable duty treatment for certain wool used in making suits.

S. 344

At the request of Mr. BOND, the name of the Senator from Michigan (Mr. ABRAHAM) was added as a cosponsor of S. 344, a bill to amend the Internal Revenue Code of 1986 to provide a safe harbor for determining that certain individuals are not employees.

S. 443

At the request of Mr. LAUTENBERG, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 443, a bill to regulate the sale of firearms at gun shows.

S. 459

At the request of Mr. BREAUX, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 459, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on private activity bonds.

S. 487

At the request of Mr. GRAMS, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of