

"(2) QUALIFIED CHILD CARE FACILITY.—

"(A) IN GENERAL.—The term 'qualified child care facility' means a facility—

"(i) the principal use of which is to provide child care assistance, and

"(ii) which meets the requirements of all applicable laws and regulations of the State or local government in which it is located, including, but not limited to, the licensing of the facility as a child care facility.

Clause (i) shall not apply to a facility which is the principal residence (within the meaning of section 121) of the operator of the facility.

"(B) SPECIAL RULES WITH RESPECT TO A TAXPAYER.—A facility shall not be treated as a qualified child care facility with respect to a taxpayer unless—

"(i) enrollment in the facility is open to employees of the taxpayer during the taxable year,

"(ii) the facility is not the principal trade or business of the taxpayer unless at least 30 percent of the enrollees of such facility are dependents of employees of the taxpayer, and

"(iii) the use of such facility (or the eligibility to use such facility) does not discriminate in favor of employees of the taxpayer who are highly compensated employees (within the meaning of section 414(q)).

"(d) RECAPTURE OF ACQUISITION AND CONSTRUCTION CREDIT.—

"(1) IN GENERAL.—If, as of the close of any taxable year, there is a recapture event with respect to any qualified child care facility of the taxpayer, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

"(A) the applicable recapture percentage, and

"(B) the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted if the qualified child care expenditures of the taxpayer described in subsection (c)(1)(A) with respect to such facility had been zero.

"(2) APPLICABLE RECAPTURE PERCENTAGE.—

"(A) IN GENERAL.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

<b>"If the recapture event occurs in:</b>	<b>The applicable recapture percentage is:</b>
Years 1-3 .....	100
Year 4 .....	85
Year 5 .....	70
Year 6 .....	55
Year 7 .....	40
Year 8 .....	25
Years 9 and 10 .....	10
Years 11 and thereafter .....	0.

"(B) YEARS.—For purposes of subparagraph (A), year 1 shall begin on the first day of the taxable year in which the qualified child care facility is placed in service by the taxpayer.

"(3) RECAPTURE EVENT DEFINED.—For purposes of this subsection, the term 'recapture event' means—

"(A) CESSATION OF OPERATION.—The cessation of the operation of the facility as a qualified child care facility.

"(B) CHANGE IN OWNERSHIP.—

"(i) IN GENERAL.—Except as provided in clause (ii), the disposition of a taxpayer's interest in a qualified child care facility with respect to which the credit described in subsection (a) was allowable.

"(ii) AGREEMENT TO ASSUME RECAPTURE LIABILITY.—Clause (i) shall not apply if the person acquiring such interest in the facility agrees in writing to assume the recapture liability of the person disposing of such interest in effect immediately before such disposition. In the event of such an assumption, the

person acquiring the interest in the facility shall be treated as the taxpayer for purposes of assessing any recapture liability (computed as if there had been no change in ownership).

"(4) SPECIAL RULES.—

"(A) TAX BENEFIT RULE.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

"(B) NO CREDITS AGAINST TAX.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part.

"(C) NO RECAPTURE BY REASON OF CASUALTY LOSS.—The increase in tax under this subsection shall not apply to a cessation of operation of the facility as a qualified child care facility by reason of a casualty loss to the extent such loss is restored by reconstruction or replacement within a reasonable period established by the Secretary.

"(e) SPECIAL RULES.—For purposes of this section—

"(1) AGGREGATION RULES.—All persons which are treated as a single employer under subsections (a) and (b) of section 52 shall be treated as a single taxpayer.

"(2) PASS-THRU IN THE CASE OF ESTATES AND TRUSTS.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

"(3) ALLOCATION IN THE CASE OF PARTNERSHIPS.—In the case of partnerships, the credit shall be allocated among partners under regulations prescribed by the Secretary.

"(f) NO DOUBLE BENEFIT.—

"(1) REDUCTION IN BASIS.—For purposes of this subtitle—

"(A) IN GENERAL.—If a credit is determined under this section with respect to any property by reason of expenditures described in subsection (c)(1)(A), the basis of such property shall be reduced by the amount of the credit so determined.

"(B) CERTAIN DISPOSITIONS.—If during any taxable year there is a recapture amount determined with respect to any property the basis of which was reduced under subparagraph (A), the basis of such property (immediately before the event resulting in such recapture) shall be increased by an amount equal to such recapture amount. For purposes of the preceding sentence, the term 'recapture amount' means any increase in tax (or adjustment in carrybacks or carryovers) determined under subsection (d).

"(2) OTHER DEDUCTIONS AND CREDITS.—No deduction or credit shall be allowed under any other provision of this chapter with respect to the amount of the credit determined under this section."

(b) CONFORMING AMENDMENTS.—

(1) Section 38(b) of the Internal Revenue Code of 1986 is amended—

(A) by striking "plus" at the end of paragraph (1),

(B) by striking the period at the end of paragraph (12), and inserting a comma and "plus", and

(C) by adding at the end the following:

"(13) the employer-provided child care credit determined under section 45D."

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following:

"Sec. 45D. Employer-provided child care credit."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

By Mr. MOYNIHAN (for himself and Mr. SCHUMER):

S. 66. A bill to establish the Kate Mullany National Historic Site in the State of New York, and for other purposes; to the Committee on Energy and Natural Resources.

## THE INTRODUCTION OF THE KATE MULLANY NATIONAL HISTORIC SITE DESIGNATION ACT OF 1999

Mr. MOYNIHAN. Mr. President, it is with great pride that I rise today with my distinguished colleague Senator SCHUMER to introduce the "Kate Mullany National Historic Site Designation Act," a bill to designate the Troy, New York, home of pioneer labor organizer Kate Mullany as a National Historic Site. A similar measure introduced in the House of Representatives last year by Congressman MICHAEL R. McNULTY engendered a great deal of support and was cosponsored by over 100 members.

Like many Irish immigrants settling in Troy, Kate Mullany found her opportunities limited to the most difficult and low-paying of jobs, the collar laundry industry. Troy was then known as "The Collar City"—the birthplace of the detachable shirt collar. At the age of 19, Kate stood up against the often dangerous conditions and meager pay that characterized the industry and lead a movement of 200 female laundresses demanding just compensation and safe working conditions. These protests marked the beginning of the Collar Laundry Union, which some have called "the only bona fide female labor union in the country."

Kate Mullany's courage and organizing skills did not go unnoticed. She later traveled down the Hudson River to lead women workers in the sweatshops of New York City and was ultimately appointed Assistant Secretary of the then National Labor Union, becoming the first woman ever appointed to a national labor office.

On April 1, 1998, Kate Mullany's home was designated as a National Historic Landmark by Secretary of the Interior Bruce Babbitt and on July 15 First Lady Hillary Rodham Clinton presented citizens of Troy with the National Historic Landmark plaque in a celebration. By conferring National Historic Site status on this important landmark, we can ensure that Kate Mullany's contributions to the labor movement and the cause of women's equality in the workplace are not soon forgotten.

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

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

S. 66

*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 "Kate Mullany National Historic Site Designation Act".

**SEC. 2. FINDINGS AND PURPOSES.**

(a) FINDINGS.—Congress finds that—

(1) the Kate Mullany House in Troy, New York, is listed on the National Register of Historic Places and has been designated as a National Historic Landmark;

(2) the National Historic Landmark Theme Study on American Labor History concluded that the Kate Mullany House appears to meet the criteria of national significance, suitability, and feasibility for inclusion in the National Park System;

(3) the city of Troy, New York—

(A) played an important role in the development of the collar and cuff industry and the iron industry in the 19th century and in the development of early men's and women's worker and cooperative organizations; and

(B) was the home of the first women's labor union, led by Irish immigrant Kate Mullany;

(4) the city of Troy, New York, has entered into a cooperative arrangement with 6 neighboring cities, towns, and villages to create the Hudson-Mohawk Urban Cultural Park Commission to manage the valuable historic resources in the area, and the area within those municipalities has been designated by the State of New York as a heritage area to represent industrial development and labor themes in the development of the State;

(5) the area, known as the "Hudson-Mohawk Urban Cultural Park" or "RiverSpark", has been a pioneer in the development of partnership parks in which intergovernmental and public and private partnerships bring about the conservation of the area's heritage and the attainment of goals for preservation, education, recreation, and economic development; and

(6) establishment of the Kate Mullany National Historic Site and cooperative efforts between the National Park Service and the Hudson-Mohawk Urban Cultural Park Commission will—

(A) provide opportunities for the illustration and interpretation of important themes of the heritage of the United States; and

(B) provide unique opportunities for education, public use, and enjoyment.

(b) PURPOSES.—The purposes of this Act are—

(1) to preserve and interpret the nationally significant home of Kate Mullany for the benefit, inspiration, and education of the people of the United States; and

(2) to interpret the connection between immigration and the industrialization of the United States, including the history of Irish immigration, women's history, and worker history.

**SEC. 3. DEFINITIONS.**

In this Act:

(1) HISTORIC SITE.—The term "historic site" means the Kate Mullany National Historic Site established by section 4.

(2) PLAN.—The term "plan" means the general management plan developed under section 6(d).

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

**SEC. 4. ESTABLISHMENT OF KATE MULLANY NATIONAL HISTORIC SITE.**

(a) ESTABLISHMENT.—There is established as a unit of the National Park System the Kate Mullany National Historic Site in the State of New York.

(b) DESCRIPTION.—The historic site shall consist of the home of Kate Mullany, comprising approximately .05739 acre, located at 350 Eighth Street in Troy, New York, as generally depicted on the map entitled \_\_\_\_\_ and dated \_\_\_\_\_.

**SEC. 5. ACQUISITION OF PROPERTY.**

(a) REAL PROPERTY.—The Secretary may acquire land and interests in land within the boundaries of the historic site and ancillary

real property for parking or interpretation, as necessary and appropriate for management of the historic site.

(b) PERSONAL PROPERTY.—The Secretary may acquire personal property associated with, and appropriate for, the interpretation of the historic site.

(c) MEANS.—An acquisition of real property or personal property may be made by donation, purchase from a willing seller with donated or appropriated funds, or exchange.

**SEC. 6. ADMINISTRATION OF HISTORIC SITE.**

(a) IN GENERAL.—The Secretary shall administer the historic site in accordance with this Act and the law generally applicable to units of the National Park System, including the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (16 U.S.C. 1 et seq.), and the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935 (16 U.S.C. 461 et seq.).

(b) COOPERATIVE AGREEMENTS.—In carrying out this Act, the Secretary may consult with and enter into cooperative agreements with the State of New York, the Hudson-Mohawk Urban Cultural Park Commission, and other public and private entities to facilitate public understanding and enjoyment of the life and work of Kate Mullany through the development, presentation, and funding of exhibits and other appropriate activities related to the preservation, interpretation, and use of the historic site and related historic resources.

(c) EXHIBITS.—The Secretary may display, and accept for the purposes of display, items associated with Kate Mullany, as may be necessary for the interpretation of the historic site.

(d) GENERAL MANAGEMENT PLAN.—

(1) IN GENERAL.—Not later than 2 full fiscal years after the date of enactment of this Act, the Secretary shall—

(A) develop a general management plan for the historic site; and

(B) submit the plan to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives.

(2) CONTENTS.—The plan shall include recommendations for regional wayside exhibits to be carried out through cooperative agreements with the State of New York and other public and private entities.

(3) REQUIREMENTS.—The plan shall be prepared in accordance with section 12(b) of the Act entitled "An Act to improve the administration of the national park system by the Secretary of the Interior, and to clarify the authorities applicable to the system, and for other purposes", approved August 18, 1970 (16 U.S.C. 1a et seq.).

**SEC. 7. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated such sums as are necessary to carry out this Act.

By Mr. MOYNIHAN (for himself,  
Mr. KERRY, Mr. DURBIN, Mr.  
ROBB, Mr. SCHUMER, and Mr.  
KENNEDY):

S. 67. A bill to designate the headquarters building of the Department of Housing and Urban Development in Washington, District of Columbia, as the "Robert C. Weaver Federal Building"; to the Committee on Environment and Public Works.

THE ROBERT C. WEAVER FEDERAL BUILDING  
DESIGNATION ACT OF 1999

Mr. MOYNIHAN. Mr. President, I rise with my colleagues, Senators SCHUMER,

KENNEDY, KERRY, DURBIN, and ROBB, to introduce legislation to name the Department of Housing and Urban Development (HUD) headquarters here in Washington after Dr. Robert C. Weaver, adviser to three Presidents, director of the NAACP, and the first African-American Cabinet Secretary. With Senator KERRY, Senator MOSELEY-BRAUN, and Senator KENNEDY I introduced an identical bill last year. It was passed by the Senate by unanimous consent on July 31, 1998 but languished in the House.

Bob Weaver was my friend, dating back more than 40 years to our service together in the administration of New York Governor Averell Harriman. In July of 1997, he died at his home in New York City after spending his entire life broadening opportunities for minorities in America. I think it is a fitting tribute to name the HUD building after this great man.

Dr. Weaver began his career in government service as part of President Franklin D. Roosevelt's "Black Cabinet," an informal advisory group promoting educational and job opportunities for blacks. The Washington Post called this work his greatest legacy, the dismantling of a deeply entrenched system of racial segregation in America. Indeed it was.

Dr. Weaver was appointed Deputy Commissioner of Housing for New York State in 1955, and later became State Rent Administrator with Cabinet rank. It was during these years, working for Governor Harriman, that I first met Bob; I was Assistant to the Secretary to the Governor and later, Acting Secretary.

Our friendship and collaboration continued under the Kennedy and Johnson administrations. In 1960, he became the president of the NAACP, and shortly thereafter would become a key adviser to President Kennedy on civil rights. In 1961, Kennedy appointed Dr. Weaver to head the Housing and Home Finance Agency, the precursor to the Department of Housing and Urban Development. In 1966, when President Johnson elevated the agency to Cabinet rank, he chose Dr. Weaver to head the department. Bob Weaver was, in Johnson's phrase, "the man for the job." He thus became its first Secretary, and the first African-American to head a Cabinet agency. Later, he and I served together on the Pennsylvania Avenue Commission.

Following his government service, Dr. Weaver was, among various other academic pursuits, a professor at Hunter College, a member of the School of Urban and Public Affairs at Carnegie-Mellon, a visiting professor at Columbia Teacher's College and New York University's School of Education, and the president of Baruch College in Manhattan. When I became director of the Joint Center for Urban Studies at MIT and Harvard, he generously agreed to be a member of the Board of Directors.

Dr. Weaver earned his undergraduate, master's, and doctoral degrees in economics from Harvard; he wrote four books on urban affairs; and served as one of the original directors of the Municipal Assistance Corporation, which designed the plan to rescue New York City during its tumultuous financial crisis in the 1970s.

When Dr. Weaver died, America—and Washington, in particular (for he was a native Washingtonian)—lost one of its innovators, one of its creators, one of its true leaders. Dr. Robert C. Weaver led not only with his words but with his deeds and I was privileged to know him as a friend. He will be missed but properly memorialized, I think, if we can pass this legislation.

Mr. President, I ask unanimous consent that my bill, my statement, a July 21, 1997 editorial in the Washington Post, and a July 19, 1997 obituary from the New York Times be printed in the RECORD.

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

S. 67

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

#### SECTION 1. DESIGNATION OF ROBERT C. WEAVER FEDERAL BUILDING.

In honor of the first Secretary of Housing and Urban Development, the headquarters building of the Department of Housing and Urban Development located at 451 Seventh Street, SW., in Washington, District of Columbia, shall be known and designated as the "Robert C. Weaver Federal Building".

#### SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the building referred to in section 1 shall be deemed to be a reference to the "Robert C. Weaver Federal Building".

[From the New York Times, July 19, 1997]

ROBERT C. WEAVER, 89, FIRST BLACK CABINET MEMBER, DIES

(By James Barron)

Dr. Robert C. Weaver, the first Secretary of Housing and Urban Development and the first black person appointed to the Cabinet, died on Thursday at his home in Manhattan. He was 89.

Dr. Weaver was also one of the original directors of the Municipal Assistance Corporation, which was formed to rescue New York City from financial crisis in the 1970's.

"He was a catalyst with the Kennedys and then with Johnson, forging new initiatives in housing and education," said Walter E. Washington, the first elected Mayor of the nation's capital.

A portly, pedagogical man who wrote four books on urban affairs, Dr. Weaver had made a name for himself in the 1930's and 40's as an expert behind-the-scenes strategist in the civil rights movement. "Fight hard and legally," he said, "and don't blow your top."

As a part of the "Black Cabinet" in the administration of President Franklin D. Roosevelt, Dr. Weaver was one of a group of blacks who specialized in housing, education and employment. After being hired as race relations advisers in various Federal agencies, they pressured and persuaded the White House to provide more jobs, better educational opportunities and equal rights.

Dr. Weaver began in 1933 as an aide to Interior Harold L. Ickes. He later served as a spe-

cial assistant in the housing division of the Works Progress Administration, the National Defense Advisory Commission, the War Production Board and the War Manpower Commission.

Shortly before the 1940 election, he devised a strategy that defused anger among blacks about Stephen T. Early, President Roosevelt's press secretary. Arriving at Pennsylvania Station in New York, Early lost his temper when a line of police officers blocked his way. Early knocked one of the officers, who happened to be black, to the ground. As word of the incident spread, a White House adviser put through a telephone call to Dr. Weaver in Washington.

The aide, worried that the incident would cost Roosevelt the black vote, told Dr. Weaver to find the other black advisers and prepare a speech that would appeal to blacks for the President to deliver the speech.

Dr. Weaver said he doubted that he could find anyone in the middle of the night, even though most of the others in the "Black Cabinet" had been playing poker in his basement when the phone rang. "And anyway," he said, "I don't think a mere speech will do it. What we need right now is something so dramatic that it will make the Negro voters forget all about Steve Early and the Negro cop too."

Within 48 hours, Benjamin O. Davis Sr. was the first black general in the Army; William H. Hastie was the first black civilian aide to the Secretary of War, and Campbell C. Johnson was the first high-ranking black aide to the head of the Selective Service.

Robert Clifton Weaver was born on Dec. 29, 1907, in Washington. His father was a postal worker and his mother—who he said influenced his intellectual development—was the daughter of the first black person to graduate from Harvard with a degree in dentistry. When Dr. Weaver joined the Kennedy Administration, whose Harvard connections extended to the occupant of the Oval Office, he held more Harvard degrees—three, including a doctorate in economics—than anyone else in the administration's upper ranks.

In 1960, after serving as the New York State Rent Commissioner, Dr. Weaver became the national chairman of the National Association for the Advancement of Colored People, and President Kennedy sought Dr. Weaver's advice on civil rights. The following year, the President appointed him administrator of the Housing and Home Finance Agency, a loose combination of agencies that included the bureaucratic components of what would eventually become H.U.D., including the Federal Housing Administration to spur construction, the Urban Renewal Administration to oversee slum clearance and the Federal National Mortgage Association to line up money for new housing.

President Kennedy tried to have the agency raised to Cabinet rank, but Congress balked. Southerners led an attack against the appointment of a black to the Cabinet, and there were charges that Dr. Weaver was an extremist. Kennedy abandoned the idea of creating an urban affairs department.

Five years later, when President Johnson revived the idea and pushed it through Congress, Senators who had voted against Dr. Weaver the first time around vote for him.

Past Federal housing programs had largely dealt with bricks-and-mortar policies. Dr. Weaver said Washington needed to take a more philosophical approach. "Creative federalism stresses local initiative, local solutions to local problems," he said.

But, he added, "where the obvious needs for action to meet an urban problem are not being fulfilled, the Federal Government has a responsibility at least to generate a thorough awareness of the problem."

Dr. Weaver, who said that "you cannot have physical renewal without human renewal," pushed for better-looking public housing by offering awards for design. He also increased the amount of money for small businesses displaced by urban renewal and revived the long-dormant idea of Federal rent subsidies for the elderly.

Later in his life, he was a professor of urban affairs at Hunter College, was a member of the Visiting Committee at the School of Urban and Public Affairs at Carnegie-Mellon University and held visiting professorships at Columbia Teachers' College and the New York University School of Education. He also served as a consultant to the Ford Foundation and was the president of Baruch College in Manhattan in 1969.

His wife, Ella, died in 1991. Their son, Robert Jr., died in 1962.

[From the Washington Post, July 20, 1997]

ROBERT C. WEAVER DIES; FIRST BLACK CABINET MEMBER

(By Martin Weil)

Robert C. Weaver, 89, who as the nation's first secretary of Housing and Urban Development was the first black person to head a Cabinet agency, as well as one of the architects of the Great Society, died July 17 at his home in Manhattan.

He died in his sleep, according to a family friend. The cause of death was not immediately known.

Dr. Weaver, who was born and raised in Washington, was regarded as an intellectual, both pragmatic and visionary, who worked to improve the lives of blacks and other Americans both by expanding their opportunities and by bettering their communities.

"He put the bricks and mortar on President Johnson's blueprint for a Great Society," HUD Secretary Andrew M. Cuomo said in a statement.

"Robert Weaver got real urban legislation on the books and nurtured our country's first commitment to improve the quality of life in our nation's cities," Cuomo said.

On Jan. 13, 1966, when President Lyndon B. Johnson appointed the Harvard PhD and longtime federal and state housing official to be the first HUD secretary, many recognized that it was a moment both historic and symbolic.

Johnson said he had considered more than 300 candidates and had concluded that Dr. Weaver was "the man for the job."

In an interview after Dr. Weaver's death, Walter E. Washington, the District's first mayor elected under home rule, who had worked with Dr. Weaver, called him "a giant" and "a man of great vision . . . integrity, passion and commitment." Washington said, "There was never a job that was too large or one that was too small if he saw in it the possibility of helping his fellow man."

Dr. Weaver was born Dec. 29, 1907, into the segregated world that was then Washington. He once recalled 45-minute streetcar rides that took him past schools for whites before he reached his for blacks.

He was descended from a former slave who had bought his freedom in 1830. His father was a postal worker, and his mother was the daughter of Robert Tanner Freeman, who was a Harvard graduate and the first black person in the United States to receive a doctorate in dentistry.

A multitalented man, Dr. Weaver worked as an electrician while attending Dunbar High School in Washington. After graduation, he went to Harvard, where he majored in economics, won the Boylston speaking prize and received his bachelor's degree in 1929. He received a master's degree two years later and a doctorate in economics in 1934.

In 1933, after the watershed election of Franklin D. Roosevelt, Dr. Weaver was one

of the bright young intellectuals who came to the capital to create and run the New Deal. He spent 10 years in housing and labor recruitment and training, detailed for part of that time as an adviser to Interior Secretary Harold Ickes.

He also worked in the National Defense Advisory Commission and, during World War II, was director of the Negro Manpower Service in the War Manpower Commission. During those years, he also was prominent in what was known as Roosevelt's informal Black Cabinet, working behind the scenes to improve conditions and opportunities for blacks.

In the closing years of the war, he was executive secretary of the Chicago Mayor's Committee on Race Relations. During the 1940s and early '50s, he taught at universities, worked for philanthropic foundations and held a series of government housing posts in New York.

At the start of his administration, President John F. Kennedy named him chief of what was then the principal federal agency responsible for housing, the Housing and Home Finance Agency. He was credited with drawing together and unifying the efforts of what was regarded as a loose confederation of offices, bureaus and departments.

It was not until the Johnson administration that efforts to raise the department to Cabinet level bore fruit.

But throughout his tenure as the chief federal housing official, it was Dr. Weaver who "broadened the perspective" of government policy, said Yvonne Scruggs-Leftwich, executive director of Black Leadership Forum Inc. and a former New York state housing commissioner. She said Dr. Weaver moved policy from a narrow focus on the living unit itself to include community development, a more expansive view that encompassed both "housing and the environment around the housing."

As Dr. Weaver had expressed it, "You cannot have physical renewal without human renewal."

At the same time, he was known for his work for racial justice and equality. By the 1960s, he had been active in the struggle for decades. At the time of his appointment by Kennedy, he was chairman of the NAACP.

Once, in the early days of the struggle, he advised that the best way to achieve equality was "to fight hard—and legally—and don't blow your top."

After leaving his Cabinet post at the end of the Johnson administration, Dr. Weaver returned to New York, where he was a teacher and a consultant. He headed Baruch College in 1969 and was one of the directors of the Municipal Assistance Corp., which was set up to save the city from fiscal collapse in the 1970s.

He wrote, or contributed to, several books and held at least 30 honorary degrees.

His wife, Ella died in 1991, and their son, Robert Jr., died in 1962.

By Mr. MOYNIHAN:

S. 68. A bill for the relief of Dr. Yuri F. Orlov of Ithaca, New York; to the Committee on Governmental Affairs.

#### PRIVATE RELIEF BILL

Mr. MOYNIHAN. Mr. President, today I rise to introduce a bill to recognize the immeasurable debt which we owe to a leading Soviet dissident. Dr. Yuri F. Orlov, a founding member of the Soviet chapter of Amnesty International and founder of the Moscow Helsinki Watch Group (the first nationwide organization in Soviet history to question government actions), who now lives in Ithaca, New York, is threat-

ened by poverty. Yuri Orlov could not be stopped by the sinister forces of the Soviet Union and, no doubt, he will not be stopped by poverty. But I rise today in hopes that it will not come to that.

Dr. Orlov's career as a dissident began while he was working at the famous Institute for Theoretical and Experimental Physics in Moscow. At the Institute in 1956 he made a pro-democracy speech which cost him his position and forced him to leave Moscow. He was able to return in 1972, whereupon he began his most outspoken criticism of the Soviet regime.

On September 13, 1973, in response to a government orchestrated-public smear campaign against Andrei Sakharov, Orlov sent "Thirteen Questions to Brezhnev," a letter which advocated freedom of the press and reform of the Soviet economy. One month later, he became a founding member of the Soviet chapter of Amnesty International. His criticism of the Soviet Union left him unemployed and under constant KGB surveillance, but he would not be silenced.

In May, 1976 Dr. Orlov founded the Moscow Helsinki Watch Group to pressure the Soviet Union to honor the human rights obligations it had accepted under the Helsinki Accords signed in 1975. His leadership of the Helsinki Watch Group led to his arrest and, eventually, to a show trial in 1978. He was condemned to seven years in a labor camp and five years in exile.

After having served his prison sentence, and while still in exile, Dr. Orlov was able to immigrate to the United States in 1986 in an exchange arranged by the Reagan Administration. A captured Soviet spy was returned in exchange for the release of Dr. Orlov and a writer for U.S. News & World Report who had been arrested in Moscow, Nicholas Daniloff.

Since then, Dr. Orlov has served as a senior scientist at Cornell University in the Newman Laboratory of Nuclear Studies. Now that he is 74 years old, he is turning his thoughts to retirement. Unfortunately, since he has only been in the United States for 12 years, his retirement income from the Cornell pension plus Social Security will be insufficient: only a fraction of what Cornell faculty of comparable distinction now get at retirement.

His scientific colleagues, Nobel physicist Dr. Hans A. Bethe, Kurt Gottfried of Cornell, and Sidney Drell of Stanford, have made concerted efforts to raise support for Dr. Orlov's retirement, but they are in further need.

To this end, I have agreed to assist these notable scientists in their endeavor to secure a more appropriate recompense for this heroic dissident. That is the purpose that brings me here to the Senate floor today, on the first day of the 106th Congress, to introduce a bill on Dr. Orlov's behalf.

To understand Dr. Orlov's contributions to ending the Cold War, I would draw my colleagues attention to his autobiography, *Dangerous Thoughts:*

*Memoirs of a Russian Life.* It captures the fear extant in Soviet society and the courage of men like Orlov, Sakharov, Sharansky, Solzhenitsyn, and others who defied the Soviet regime. Dr. Orlov, who spent 7 years in a labor camp and two years in Siberian exile, never ceased protesting against oppression. Despite deteriorating health and the harsh conditions of the camp, Dr. Orlov smuggled out messages in support of basic rights and nuclear arms control. His bravery and that of his dissident colleagues played no small role in the dissolution of the Soviet Union. I am sure many would agree that we owe them a tremendous debt. This then is a call to all those who agree with that proposition. Dr. Orlov is now in need; please join our endeavor.

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. 68

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

#### SECTION 1. RELIEF OF DR. YURI F. ORLOV OF ITHACA, NEW YORK.

(a) IN GENERAL.—Notwithstanding any other provision of law, Dr. Yuri F. Orlov of Ithaca, New York, shall be deemed an annuitant as defined under section 8331(9) of title 5, United States Code, and shall be eligible to receive an annuity.

(b) COMPUTATION.—For purposes of computing the annuity described under subsection (a), Dr. Yuri F. Orlov shall be deemed to—

(1) have performed 40 years of creditable service as a Federal employee; and

(2) received pay at the maximum rate payable for a position above GS-15 of the General Schedule (as in effect on the date of enactment of this Act) for 3 consecutive years of such creditable service.

(c) CONTRIBUTIONS.—No person shall be required to make any contribution with respect to the annuity described under subsection (a).

(d) ADMINISTRATIVE PROVISIONS.—The Director of the Office of Personnel Management shall—

(1) apply the provisions of chapter 83 of title 5, United States Code (including provisions relating to cost-of-living-adjustments and survivor annuity benefits) to the annuity described under subsection (a) to the greatest extent practicable; and

(2) make the first payment of such annuity no later than 60 days after the date of the enactment of this Act.

By Mr. MOYNIHAN:

S. 69. A bill to make available funds under the Foreign Assistance Act of 1961 to provide scholarships for nationals of any of the independent states of the former Soviet Union to undertake doctoral graduate study in the social sciences; to the Committee on Foreign Relations.

#### THE NIS EDUCATION ACT

Mr. MOYNIHAN. Mr. President, I rise today to introduce the NIS Education Act. For 75 years academic freedom was squelched in the Soviet Union and the tools to build a democratic society were lost to its successor states. Thankfully, that is now passed. The

Russians have the right to claim that they freed their own country from the horrors of a decayed Marxist-Leninist dictatorship. The Russian people and their leaders have something about which to be proud.

I rise in that spirit to offer a bill that is simple in both premise and purpose: build democratic leaders of the NIS for the future through education. The NIS Education Act will partially fund graduate education in the social sciences for 500 students from the NIS during the next five years. The benefits of education and exposure to the United States will be long lasting.

We want to give these students from the NIS a chance to see American democracy and learn the tools to improve their own society. Indeed, for many it will be their first chance to visit the world's oldest democracy; to see the promise that democracy offers; and to judge its fruits for themselves. As one of our most famous visitors, Alexis de Tocqueville, wrote:

Let us look to America, not in order to make a servile copy of the institutions that she has established, but to gain a clearer view of the polity that will be the best for us; let us look there less to find examples than instruction; let us borrow from her the principles, rather than the details, of her laws . . . the principles on which the American constitutions rest, those principles of order, of the balance of powers, of true liberty, of deep and sincere respect for right, are indispensable to all republics. . . .

In 1948 the United States instituted the now famous Marshall Plan which included among its many provisions a fund for technical assistance. Part of this fund included the "productivity campaign" which was designed to bring European businessmen and labor representatives here to learn American methods of production. During the Plan's three years, over 6,000 Europeans came to the United States to study U.S. production. Though the funding for this part of the plan was less than one-half of one percent of all the Marshall Plan aid, its impact was far greater. The impact of the NIS Education Act may also be great.

We must note here the current state of Russia's affairs: it is deplorable. Despite this situation, last spring the United States Senate voted to expand the North Atlantic Treaty Organization. Throughout the elements of the Russian political system NATO expansion was viewed as a hostile act they will have to defend against; and they have said if they have to defend their territory, they will do so with nuclear weapons; that is all they have left.

The distrust born from NATO expansion will not fade quickly. Let us hope that the NIS Education Act will provide individuals from Russia and the other NIS the opportunity to see that we Americans do not hope for Russia's demise and isolation. Perhaps we can dispel the betrayal they may feel as a result of NATO enlargement, and give them the tools to further develop their own democracies.

Beyond that, the importance of training the next generation of social

scientists in the NIS is immeasurable. It is this generation that will revitalize the universities, teaching the next generation economics, sociology and other disciplines. It is this generation of social scientists who will be prepared to enter their Governments armed with new ideas and new ways of thinking different from the status quo; they will bring their new knowledge and standards, their linkages to the United States back to their own countries, and they will have the best opportunity to influence change there.

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

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

S. 69

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

**SECTION 1. SCHOLARSHIPS FOR NATIONALS OF THE INDEPENDENT STATE OF THE FORMER SOVIET UNION.**

(a) AUTHORITY.—

(1) IN GENERAL.—Subject to subsection (b), the President is authorized to provide scholarships under chapter 11 of part I of the Foreign Assistance Act of 1961 (relating to assistance to the independent states of the former Soviet Union; 22 U.S.C. 2295 et seq.) for 100 nationals of the independent states of the former Soviet Union (as defined in section 3 of the FREEDOM Support Act (22 U.S.C. 5801)) who seek to commence graduate study in a six-year program in any field of social science.

(2) SUPERSEDING EXISTING LAW.—The authority of paragraph (1) shall be exercised without regard to any other provision of law.

(b) REQUIREMENTS.—

(1) NON-FEDERAL SHARE.—The President shall require that not less than 20 percent of the costs of each student's doctoral study be provided from non-Federal sources.

(2) REQUIREMENT OF HOME COUNTRY SERVICES.—Notwithstanding any other provision of law, any student supported under this section who does not perform after graduation at least one year of service in the student's home country for each year of study supported under this section shall not be eligible to be issued a visa to be admitted to the United States.

(c) ALLOCATION OF FUNDS.—Of the amounts authorized to be appropriated to carry out chapter 11 of part I of the Foreign Assistance Act of 1961 (relating to assistance to the independent states of the former Soviet Union; 22 U.S.C. 2295 et seq.) for fiscal years 2000 through 2009, the following amounts are authorized to be available to carry out subsection (a):

(1) For fiscal year 2000, \$3,500,000 for not to exceed 100 scholarships.

(2) For fiscal year 2001, \$7,500,000 for not to exceed 200 scholarships.

(3) For fiscal year 2002, \$10,500,000 for not to exceed 300 scholarships.

(4) For fiscal year 2003, \$14,000,000 for not to exceed 400 scholarships.

(5) For fiscal year 2004, \$17,500,000 for not to exceed 500 scholarships.

(6) For fiscal year 2005, \$17,500,000 for not to exceed 500 scholarships.

(7) For fiscal year 2006, \$14,000,000 for not to exceed 400 scholarships.

(8) For fiscal year 2007, \$10,500,000 for not to exceed 300 scholarships.

(9) For fiscal year 2008, \$7,500,000 for not to exceed 200 scholarships.

(10) For fiscal year 2009, \$3,500,000 for not to exceed 100 scholarships.

By Ms. SNOWE:

S. 70. A bill to require the establishment of a Federal task force on Regional Threats to International Security; to the Committee on Foreign Relations.

THE PREVENTION AND DETERRENCE OF INTERNATIONAL CONFLICT (PREDICT) ACT OF 1999

Ms. SNOWE. Mr. President, I rise to introduce legislation to give the administration an incentive for developing a more coherent foreign policy by pooling the defense, diplomatic, intelligence, and economic resources of the federal government.

I have labeled this bill the Prevention and Deterrence of International Conflict Act—"PREDICT"—because the Clinton Administration failed or willfully suspended its ability to anticipate a string of foreign calamities last year.

The 1998 calendar of global surprises for the United States revealed the continuing challenge to this administration of analyzing evidence adequately for the President to act against the aggressive military actions of India, Pakistan, North Korea, Yugoslavia, and Iraq.

Although we had satellite images and early warning signs, the second series of nuclear explosions by India in May eluded the detection of the intelligence authorities.

Although we had the campaign pledges of India's Prime Minister to expand the country's nuclear program, no one took them as an omen of action.

Although we had differing agency assessments of whether the export of commercial satellite technologies posed the risk of improving China's military communications capabilities, the president never saw them.

Although Pentagon officials told the Senate Armed Services Committee on August 24, 1998 that the intelligence community could detect in advance any launching of a multiple-stage rocket by North Korea, they professed surprise as a Taepo Dong missile soared over Japan seven days later.

And although we had indicators that the simmering conflict in Kosovo could unravel into a major Balkan security crisis, we did not know who led or supplied the provincial insurgency movement.

Furthermore, before finally approving military action against Iraq last month, the White House had lurched towards two previous strikes only to call off the missiles after Saddam Hussein opened his seven-year old script to repeat the hollow lines that he would cooperate with the U.N. on his own terms in his own time.

These examples highlight a pattern of fragmentation in the decision-making apparatus of the Executive Branch. Information that could tilt the course of a crisis too often remains hidden or undiscovered in the flow of advice to the White House.

Beyond this disjointed process of making policy, the other critical issue tying together these episodes of tension centers on the threat of weapons

proliferation fueled by unresolved civil conflicts or the ambitions of regional tyrants.

The uncertain political status of the territory of Kashmir, for example, served as a convenient excuse for Indian officials to justify their nuclear testing last Spring. At the same time, the Pakistanis cited national prestige and the need to stabilize the governing coalition, rather than any threat of attack, in explaining their nuclear response to India's provocation.

In both of these cases, political judgments overshadowed sober considerations of whether the two nations posed immediate military risks to one another.

Yet China's hunger for technology, Mr. President, derives less from an ongoing civil conflict than it does from a military establishment eager to develop the precision capabilities used by the United States during the Persian Gulf War.

These capabilities, in turn, will gradually advance Beijing's quest to displace the United States and Japan as the dominant Asia-Pacific power.

The PREDICT bill, therefore, brings together the broad range of foreign policy experts throughout the government into one Federal Task Force on Regional Threats to International Security. The Federal Task Force would include representatives of the Departments of State, Defense, and Commerce, as well as military and foreign intelligence organizations, to advise the president in three categories:

How the United States can foster diplomatic resolutions of regional disputes that increase the risk of weapons proliferation;

Trade and investment programs to promote the market-based development of countries that pursue or possess weapons of mass destruction;

And the implementation of intelligence analysis procedures to ensure that the president has all of the data necessary before he makes any decision regarding this category of arms.

The President must establish the Task Force no later than 60 days after the effective date of the law, and the panel's authority would expire on October 1, 2001 unless an executive order or an act of Congress renews the operating charter.

PREDICT, therefore, outlines a clear and comprehensive process for foreign policy development without prejudging what steps the President should take. He must create the Task Force. He must consider the information that it presents, and he must determine whether to accept it. After two years, both the administration and Congress can judge the record of the Task Force to decide whether it should continue to function.

What this legislation proposes that does not exist is an integrated advisory body to analyze the military, diplomatic, and economic options available to the president for controlling regional conflicts and the spread of weapons of mass destruction.

Further more, the Task Force deliberately includes intelligence representatives so that policy options reflect the most updated information on the intentions of foreign leaders and the capabilities of their armed forces.

A comprehensive perspective remains central to the execution of prudent foreign policies. The administration needs to harness the talent and expertise of the federal government to ensure that the regional civil, military, and political disputes fostering weapons proliferation do not present a sustained threat to international security. For this compelling reason, I urge Congress to renew America's national security organizations by passing the PREDICT Act.

By Ms. SNOWE:

S. 71. A bill to amend title 38, United States Code, to establish a presumption of service-connection for certain veterans with Hepatitis C, and for other purposes; to the Committee on Veterans' Affairs.

#### HEPATITIS C VETERANS' LEGISLATION

Ms. SNOWE. Mr. President, I rise today to introduce legislation I introduced late in the 105th Congress to address a serious health concern for veterans—specifically the health threat posed by the Hepatitis C virus.

The legislation I am introducing today would make Hepatitis C a service-connected condition so that veterans suffering from this virus can be treated by the VA. The bill will establish a presumption of service connection for veterans with Hepatitis C, meaning that the Department of Veterans Affairs will assume that this condition was incurred or aggravated in military service, provided that certain conditions are met.

Under this legislation, veterans who received a transfusion of blood during a period of service before December 31, 1992; veterans who were exposed to blood during a period of service; veterans who underwent hemodialysis during a period of service; veterans diagnosed with unexplained liver disease during a period of service; veterans with an unexplained liver dysfunction value or test; or veterans working in a health care occupation during service, will be eligible for treatment for this condition at VA facilities.

I have reviewed medical research that suggests many veterans were exposed to Hepatitis C in service and are now suffering from liver and other diseases caused by exposure to the virus. I am troubled that many "Hepatitis C veterans" are not being treated by the VA because they can't prove the virus was service connected, despite the fact that Hepatitis C was little known and could not be tested for until recently.

Mr. President, we are learning that those who served in Vietnam and other conflicts, tend to have higher than average rates of Hepatitis C. In fact, VA data shows that 20 percent of its inpatient population is infected with the Hepatitis C virus, and some studies

have found that 10 percent of otherwise healthy Vietnam Veterans are Hepatitis C positive.

Hepatitis C was not isolated until 1989, and the test for the virus has only been available since 1990. Hepatitis C is a hidden infection with few symptoms. However, most of those infected with the virus will develop serious liver disease 10 to 30 years after contracting it. For many of those infected, Hepatitis C can lead to liver failure, transplants, liver cancer, and death.

And yet, most people who have Hepatitis C don't even know it—and often do not get treatment until it's too late. Only five percent of the estimated four million Americans with Hepatitis C know they have it, yet with new treatments, some estimates indicate that 50 percent may have the virus eradicated.

Vietnam Veterans in particular are just now starting to learn that they have liver disease caused by Hepatitis C. Early detection and treatment may help head off serious liver disease for many of them. However, many veterans with Hepatitis C will not be treated by the VA because they must meet a standard that is virtually impossible to meet in order to establish a service connection for their condition—this in spite of the fact that we now know that many Vietnam-era and other veterans got this disease serving their country.

Many of my colleagues may be interested to know how veterans were exposed to this virus. Many veterans received blood transfusions while in Vietnam. This is one of the most common ways Hepatitis C is transmitted. Medical transmission of the virus through needles and other medical equipment is also possible in combat. Medical care providers in the services were likely at increased risk as well, and may have, in turn, posed a risk to the service members they treated.

Researchers have discovered that Hepatitis C was widespread in Southeast Asia during the Vietnam war, and that some blood sent from the U.S. was also infected with the virus. Researchers and veterans organizations, including the Vietnam Veterans of America, with whom I worked closely to prepare this legislation, believe that many veterans were infected after being injured in combat and getting a transfusion or from working as a medic around combat injuries.

The Hepatitis C infected veteran is essentially in a catch 22 situation: the VA will not introduce any flexibility into their established service connection requirements—and many veterans cannot prove that they contracted Hepatitis C in combat because the science to detect it did not until recently. Without legislative authority to treat these veterans, thousands of veterans infected with Hepatitis C in service will not get the VA health care testing or treatment they need.

Mr. President, I believe the government will actually save money in the long run by testing and treating this infection early on. The alternative is



much more costly treatment of end-stage liver disease and the associated complications, or other disorders.

Some will argue that further epidemiologic data is needed to resolve or prove the issue of service connection. I agree that we have our work cut out for us, and further study is required. However, there is already a substantial body of research on the relationship between Hepatitis C and military service. While further research is being conducted, we should not ask those who have already sacrificed so much for this country to wait—perhaps for years—for the treatment they deserve.

Former Surgeon General C. Everett Koop, well respected both within and outside of the medical profession, has said, "In some studies of veterans entering the Department of Veterans Affairs health facilities, half of the veterans have tested positive for HCV. Some of these veterans may have left the military with HCV infection, while others may have developed it after their military service. In any event, we need to detect and treat HCV infection if we are to head off very high rates of liver disease and liver transplant in VA facilities over the next decade. I believe this effort should include HCV testing as part of the discharge physical in the military, and entrance screening for veterans entering the VA health system."

Veterans have already fought their share of battles—these men and women who sacrificed in war so that others could live in peace shouldn't have to fight again for the benefits and respect they have earned.

We still have a long way to go before we know how best to confront this deadly virus. A comprehensive policy to confront such a monumental challenge cannot be written overnight. It will require the long-term commitment of Congress and the Administration to a serious effort to address this health concern.

I hope this legislation will be a constructive step in this effort, and I look forward to working with the Veterans Affairs Committee, the VA-HUD appropriators, Vietnam Veterans of America, and others to meet this emerging challenge.

By Ms. SNOWE:

S. 72. A bill to amend title 38, United States Code, to restore the eligibility of veterans for benefits resulting from injury or disease attributable to the use of tobacco products during a period of military service, and for other purposes; to the Committee on Veterans' Affairs.

#### VA TOBACCO BENEFITS

Ms. SNOWE. Mr. President, today I am introducing legislation that will restore an important benefit for our nation's veterans—disability compensation benefits for those with tobacco-related illnesses or disabilities.

The President's budget proposal for FY99 restricted disability compensation benefits for tobacco-related ill-

nesses, such as lung cancer. I might ask, once we start restricting service-related disabilities treated through the VA, where does it end? I am very concerned that the VA will become a target for further erosions of veterans benefits. The VA is already having difficulty making good on its promise to provide essential benefits to veterans. What benefit will be repealed next?

Some may argue that military personnel made the decision to smoke. Nobody forced them. But this ignores that fact that these choices were facilitated, and perhaps even encouraged, by the inclusion of free cigarettes in individual supply kits and discounts on tobacco products. Many military personnel may have smoked for the first time while on active duty.

That is why I have fought to restore veterans disability compensation for tobacco-related illnesses and disability—because I believe that Congress circumvented the process and undermined fairness when it repealed this benefit to fund the ISTEA legislation.

Mr. President, there should have been a full airing of this issue before we voted to rescind the benefit. There was little debate on the Senate floor on this matter. This is not how those brave Americans who sacrificed for freedom should be treated by the government they fought to preserve.

During the Senate's consideration of the FY99 Budget Resolution, I opposed efforts to repeal the benefit and voted for an amendment to sustain it. In addition, I supported an amendment submitted by Senator McCAIN to the tobacco bill providing \$600 million over five years to veterans for smoking-related diseases and health care. Finally, during the Senate's consideration of the FY99 VA-HUD Appropriations Act, I supported an amendment to restore the benefit. Unfortunately, this amendment was rejected 54-40. I continue to believe we should debate the matter fully, we should have a vote, and we should pass legislation that will right this wrong.

We must not ignore the fact that the military has been one of the largest distributors of tobacco products for decades. The military glamorized the use of tobacco and distributed free cigarettes during World War II, the Korean War, and the Vietnam War. We cannot turn a blind eye to this lethal legacy. We must not turn our backs on those who continue to suffer the consequences of their service. That is why I hope that my colleagues will join me in supporting this effort, and restore this important benefit.

By Mr. MOYNIHAN:

S. 73. A bill to make available funds under the Mutual Educational and Cultural Exchange Act of 1961 to provide Fulbright scholarships for Cuban nationals to undertake graduate study in the social sciences; to the Committee on Foreign Relations.

#### FULBRIGHT SCHOLARSHIPS FOR CUBAN NATIONALS

Mr. MOYNIHAN. Mr. President, I rise today to introduce a bill to authorize funding for Cuban nationals for the Fulbright Educational Exchange Program so that they may come to the United States for graduate study.

The world is a changed place. The Soviet Union dissolved almost a decade ago, and since then democracy has replaced totalitarianism in Eastern Europe. Since the demise of its sponsor, the Soviet Union, and the disappearance of Soviet subsidies, Cuba has had to change to survive. In time, the winds of democracy sweeping the globe will reach the shores of Cuba.

We learned from the cold war that one of the most subversive acts in that ideological conflict was exposing communists to the West. In his lucid chronicle of the demise of the Soviet Union, Michael Dobbs writes in *Down with Big Brother: The Fall of the Soviet Empire*,

A turning point in [Boris] Yeltsin's intellectual development occurred during his first visit to the United States in September 1989, more specifically his first visit to an American supermarket, in Houston, Texas. The sight of aisle after aisle of shelves neatly stacked with every conceivable type of food-stuff and household item, each in a dozen varieties, both amazed and depressed him. For Yeltsin, like many other first-time Russian visitors to America, this was infinitely more impressive than tourist attractions like the Statue of Liberty and the Lincoln Memorial. It was impressive precisely because of its ordinariness. A cornucopia of consumer goods beyond the imagination of most Soviets was within the reach of ordinary citizens without standing in line for hours. And it was all so attractively displayed. For someone brought up in the drab conditions of communism, even a member of the relatively privileged elite, a visit to a Western supermarket involved a full-scale assault on the senses.

What we saw in that supermarket was no less amazing than America itself," recalled Lev Sukhanov, who accompanied Yeltsin on his trip to the United States and shared his sense of shock and dismay at the gap in living standards between the two superpowers. "I think it is quite likely that the last prop of Yeltsin's Bolshevik consciousness finally collapsed after Houston. His decision to leave the party and join the struggle for supreme power in Russia may have ripened irrevocably at that moment of mental confusion.

The young people of Cuba are that country's future. As such what they learn now will help shape a post-Castro Cuba. Since its inception in 1947, at the suggestion of Senator J. William Fulbright, the Fulbright Educational Exchange Program has sent nearly 82,000 Americans abroad and provided 138,000 foreign students and professors with the opportunity to come to the United States for study—to live here, to understand our great country, and return to their own nations so enriched. Nearly 50 years ago they sent me off to the London School of Economics. I left the United States untouched by war to live in Europe as it climbed out of its ruins.

In London, I learned from experience Seymour Martin Lipset's dictum, "He who knows only one country knows no country." Use the simple analogy of eyesight: it takes two eyes to provide perspective. It was a seminal time for the world and for me. This bill will offer that opportunity to Cubans to study in the United States, as I studied in London.

Fidel Castro will not live forever—it is time to get ready for an end game. Now is the time to start showing the people of Cuba, especially the young people, how the United States works and how their country might change. So let us bring them here and not act like it's the middle of the Cold War. Let us bring them to the United States and offer them education and a chance to see the world's oldest democracy in action. We need to begin now to expose future leaders of Cuba to the United States. For, as Senator Fulbright observed,

The vital mortar to seal the bricks of world order is education across international boundaries, not with the expectation that knowledge would make us love each other, but in the hope that it would encourage empathy between nations, and foster the emergence of leaders whose sense of other nations and cultures would enable them to shape specific policies based on tolerance and rational restraint.

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

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

S. 73

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

**SECTION 1. FULBRIGHT SCHOLARSHIPS FOR CUBAN NATIONALS.**

(a) AUTHORITY.—

(1) IN GENERAL.—The President is authorized to provide scholarships under the Fulbright Academic Exchange Program in section 102 of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2452) for nationals of Cuba who seek to undertake graduate study in public health, public policy, economics, law, or other field of social science.

(2) PROHIBITION.—No official of the Cuban government, or any member of the immediate family of the official, shall be eligible to receive a scholarship under paragraph (1).

(3) SUPERSEDING EXISTING LAW.—The authority of paragraph (1) shall be exercised without regard to any other provision of law.

(b) ALLOCATION OF FUNDS.—Of the amounts authorized to be appropriated to carry out the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2451 et seq.) for fiscal years 2000 through 2004, the following amounts are authorized to be available to carry out subsection (a):

(1) For fiscal year 2000, \$1,400,000 for not to exceed 20 scholarships.

(2) For fiscal year 2001, \$1,750,000 for not to exceed 25 scholarships.

(3) For fiscal year 2002, \$2,450,000 for not to exceed 35 scholarships.

(4) For fiscal year 2003, \$2,450,000 for not to exceed 35 scholarships.

(5) For fiscal year 2004, \$2,450,000 for not to exceed 35 scholarships.

By Mr. DASCHLE (for himself,  
Mr. KERRY, Mr. LEAHY, Ms. MI-

KULSKI, Mrs. MURRAY, Mr. REID,  
Mr. WYDEN, Mrs. BOXER, Mr.  
LAUTENBERG, Mr. KENNEDY, Mr.  
KERREY, Mr. DURBIN, Ms.  
LANDRIEU, Mr. ROBB, Mr.  
TORRICELLI, Mr. BREAUX, Mr.  
WELLSTONE, and Mrs. FEIN-  
STEIN):

S. 74. A bill to amend the Fair Labor Standards Act of 1938 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

**PAYCHECK FAIRNESS ACT**

Mr. LEAHY. Mr. President, I am privileged to join with my colleague Senator TOM DASCHLE to introduce the Paycheck Fairness Act.

Early in the next century, women—for the first time ever—will outnumber men in the United States workplace. In 1965, women held 35 percent of all jobs. That has grown to more than 46 percent today. And in a few years, women will make up a majority of the workforce.

Fortunately, there are more business and career opportunities for women today than there were thirty years ago. Unlike 1965, federal, state, and private sector programs now offer women many opportunities to choose their own futures. Working women also have opportunities to gain the knowledge and skills to achieve their own economic security.

But despite these gains, working women still face a unique challenge—achieving pay equity. The average woman earns 74 cents for every dollar that the average man earns. This amounts to a woman earning \$8,434 less than a man over the course of one year and earning more than a quarter of a million dollars less over the course of a career.

We must correct this gross inequality, and we must correct it now.

How is this possible with our federal laws prohibiting discrimination? It is possible because we in Congress have failed to protect one of the most fundamental human rights—the right to be paid fairly for an honest day's work.

Unfortunately, our laws ignore wage discrimination against women, which continues to fester like a cancer in work places across the country. The Paycheck Fairness Act of 1999 would close this legal loophole by addressing the problem of pay inequality by redressing past discrimination and increasing enforcement against future abuses.

I do not pretend that this Act will solve all the problems women face in the work place. But it is an essential piece of the puzzle. Equal pay for equal work is often a subtle problem that is difficult to combat. Ant it does not stand alone as an issue that woman face in the workplace. It is deeply intertwined with the problem of unequal opportunity. Closing this loophole is not enough if we fail to provide the opportunity for women to reach high paying positions.

The government, by itself, cannot change the attitudes and perceptions of individuals and private businesses in hiring and advancing women, but it can set an example. Certainly President Clinton has shown great leadership by appointing an unprecedented number of women to his administration. In my home state of Vermont, Major General Martha Rainville has been appointed Adjutant General of the Vermont National Guard—the first woman in the country to hold this prestigious position.

Vermont is also a leader in providing pay equity. According to the Institute for Women's Policy Research, Vermont ranks second in providing equal pay. Even with this ranking, the average woman in Vermont still is making less than 82 cents for every dollar that the average man makes in Vermont. We must work in the Senate and in the workplace to close this gap.

We are all familiar with the glass ceiling which prevents women from advancing in the workplace. However, woman are also facing a glass wall—they are unable to achieve equal pay for equal work. Women cannot break the glass ceiling until the wall comes down.

The Paycheck Fairness Act is one step to remedy this problem and bring down the glass wall. This Act will strengthen enforcement of the Equal Pay Act, increase penalties for violations, and permit employees to openly discuss their wages with coworkers without fear of retaliation by their employers.

I understand that this bill will not solve all of the problems of pay inequity, but it will close legal loopholes that allow employers to routinely underpay women. By closing these loopholes, we will help women achieve better economic security and provide them with more opportunities.

By Mr. LUGAR:

S. 75. A bill to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers; to the Committee on Finance.

**ESTATE AND GIFT TAX REPEAL ACT OF 1999**

By Mr. LUGAR:

S. 76. A bill to phase-out and repeal the Federal estate and gift taxes and the tax on generational-skipping transfers; to the Committee on Finance.

**ESTATE AND GIFT TAX PHASE-OUT ACT OF 1999**

By Mr. LUGAR:

S. 77. A bill to increase the unified estate and gift tax credit to exempt small businesses and farmers from estate taxes; to the Committee on Finance.

**FARMER AND ENTREPRENEUR ESTATE TAX RELIEF ACT OF 1999**

Mr. LUGAR (for himself, Mr. HAGEL, Mr. ROBERTS, and Mr. HELMS):

S. 78. A bill to amend the Internal Revenue Act of 1986 to increase the gift



tax exclusion to \$25,000; to the Committee on Finance.

#### GIFT TAX EXCLUSION

Mr. LUGAR. Mr. President, I am pleased to introduce on behalf of myself and Senators HAGEL, HELMS and ROBERTS a package of legislation intended to minimize or eliminate the burden that estate and gift taxes place on our economy. The estate tax hinders entrepreneurial activity and job creation in many sectors of our economy. Despite the fact that my bills would help all Americans who face this onerous tax, I come to the estate tax debate because of my interest in American agriculture.

As Chairman of the Senate Agriculture Committee, I have held hearings on the impact of the estate tax on farmers and ranchers. The effects of inheritance taxes are far reaching in the agricultural community. Citing personal experiences, witnesses described how the estate tax discourages savings, capital investment and job formation.

One such story came from a Hoosier, Mr. Woody Barton. He is a fifth generation tree farmer living in the house his great grandparents built in 1885. I visited his 300 acres of forested property last October and can attest to its beauty. Typical of many farmers, Mr. Barton is over 65 years old and wants to leave this legacy to his four children. But he fears that the estate tax may cause his children to strip the timber and then sell the land in order to pay the estate tax bill. His grandmother logged a portion of the land in 1939 to pay the debts that came from the death of her husband. In essence, each generation must buy back the hard work and dedication of their ancestors from the federal government. Mr. Barton believes, and I agree, that the actions of Congress have more impact on the outcome of his family's land than his own planning and investment. This should not be the case.

The estate and gift tax falls disproportionately hard on our agricultural producers. Ninety-five percent of farms and ranch operations are sole proprietorships or family partnerships, subjecting a vast majority of these businesses to the threat of inheritance taxes. According to USDA figures, farmers are six times more likely to face inheritance taxes than other Americans. And commercial farm estates—those core farms that produce 85 percent of our nation's agricultural products—are fifteen times more likely to pay inheritance taxes than other individuals.

This hardship will only get worse as the agricultural community gets older, with the average farmer about to have a 60th birthday. Many farmers will shortly confront estate and gift taxes when they pass their farm onto the next generation. Recently, the USDA estimated that between 1992 and 2002, more than 500,000 farmers will retire. Only half of those positions will be replaced by young farmers. Demographic studies indicate that a quarter of all

farmers could confront the inheritance tax during the next 20 years.

To combat this problem, today I offer several legislative alternatives to provide relief to those impacted by this tax. My first bill would repeal the estate and gift taxes outright. My second bill would phase out the estate tax over five years by gradually raising the unified credit each year until the tax is repealed after the fifth year. My third bill would immediately raise the effective unified credit to \$5 million in an effort to address the disproportionate burden that the estate tax places on farmers and small businesses. My last bill would raise the gift tax exemption from \$10,000 to \$25,000.

I believe the best option is a simple repeal of the estate tax. I am hopeful that during this Congress, as members become more aware of the effects of this tax, we can eliminate it from the tax code. However, even if the estate tax is not repealed, the unified credit must be raised significantly. Despite our most recent success in raising the exemption level, inflation has caused a growing percentage of estates to be subjected to the estate tax. My second bill is intended to highlight this point and provide a gradual path to repeal.

My third bill focuses on relieving the estate tax burden that falls disproportionately on farmers and small business owners. By raising the exemption amount to \$5 million, 96 percent of estates with farm assets and 90 percent of estates with non-corporate business assets would not have to pay estate taxes, according to the IRS.

The final bill in this package would raise the gift tax exemption from \$10,000 to \$25,000. This level has not been adjusted since 1982. Over the years, the inflation has eroded this exemption amount, and I believe this level must be raised to provide Americans with an additional tool for passing productive assets to the next generation.

Despite its modest beginnings in 1916, the estate tax has mushroomed into an exorbitant tax on death that discourages savings, economic growth and job formation by blocking the accumulation of entrepreneurial capital and by breaking up family businesses and farms. With the highest marginal rate at 55 percent, more than half of an estate can go directly to the government. By the time the inheritance tax is levied on families, their assets have already been taxed at least once. This form of double taxation violates perceptions of fairness in our tax system.

If we are sincere about boosting economic growth, we must consider what effect the estate tax has on a business owner deciding whether to invest in new capital goods or hire a new employee. The Heritage Foundation estimates that repealing the estate tax would annually boost our economic output by \$11 billion, create 145,000 new jobs and raise personal income by \$8 billion. These figures underscore the current weight of this tax on our economy.

One might expect that for all the economic disincentives caused by the estate tax, it must at least provide a sizeable contribution to the U.S. Treasury. But in reality, the estate tax only accounts for about 1 percent of federal taxes. It cannot be justified as an indispensable revenue raiser. Given the blow delivered to job formation and economic growth, the estate tax may even cost the Treasury money. Our nation's ability to create new jobs, new opportunities and wealth is damaged as a result of our insistence on collecting a tax that earns less than 1 percent of our revenue.

But this tax affects more than just the national economy. It affects how we as a nation think about community, family and work. Small businesses and farms represent much more than assets. They represent years of toil and entrepreneurial risk taking. They also represent the hopes that families have for their children. Part of the American Dream has always been to build up a business, farm or ranch so that economic opportunities and a way of life can be passed on to one's children and grandchildren.

I know first-hand about the dangers of this tax to agriculture. My father died when I was 24, leaving his 604-acre farm in Marion County, Indiana, to his family. I helped manage the farm, which had built up considerable debts during my father's illness. Fortunately, after a number of years, we were successful in working out the financial problems and repaying the money. We were lucky. That farm remains in our family because I have been practicing active estate planning and execution of the plan along with profitable farming for each of the last 40 years. But many of today's farmers and small business owners are not so fortunate. Only about 30 percent of businesses are transferred from parent to child, and only about 12 percent of businesses make it to a grandchild.

Mr. President, these bills I have introduced will provide policymakers with a range of options as they seek to mitigate the burdens of the estate tax. Doing so will lead to expanded investment incentives and job creation and will reinvigorate an important part of the American Dream. I am hopeful that Senators will join me in the effort to free small businesses, family farms and our economy from this counterproductive tax. I ask unanimous consent that my four bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 75

*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 "Estate and Gift Tax Repeal Act of 1999".

#### SEC. 2. FINDINGS.

Congress finds the following:

(1) The economy of the United States cannot achieve strong, sustained growth without adequate levels of savings to fuel productive activity. Inadequate savings have been shown to lead to lower productivity, stagnating wages, and reduced standards of living.

(2) Savings levels in the United States have steadily declined over the past 25 years, and have lagged behind the industrialized trading partners of the United States.

(3) These anemic savings levels have contributed to the country's long-term downward trend in real economic growth, which averaged close to 3.5 percent over the last 100 years but has slowed to 2.4 percent over the past quarter century.

(4) Congress should work toward reforming the entire Federal tax code to end its bias against savings and eliminate double taxation.

(5) Repealing the estate and gift tax would contribute to the goals of expanding savings and investment, boosting entrepreneurial activity, and expanding economic growth. The estate tax is harmful to the economy because of its high marginal rates and its multiple taxation of income.

(6) Abolishing the estate tax would restore a measure of fairness to the Federal tax system. Families should be able to pass on the fruits of labor to the next generation without realizing a taxable event.

(7) Abolishing the estate tax would benefit the preservation of family farms. Nearly 95 percent of farms and ranches are owned by sole proprietors or family partnerships, subjecting most of this property to estate taxes upon the death of the owner. Due to the capital intensive nature of farming and its low return on investment, farmers are 15 times more likely to be subject to estate taxes than other Americans.

### SEC. 3. REPEAL OF FEDERAL TRANSFER TAXES.

(a) IN GENERAL.—Subtitle B of the Internal Revenue Code of 1986 is hereby repealed.

(b) EFFECTIVE DATE.—The repeal made by subsection (a) shall apply to the estates of decedents dying, and gifts and generation-skipping transfers made, after the date of enactment of this Act.

(c) TECHNICAL AND CONFORMING CHANGES.—The Secretary of the Treasury or the Secretary's delegate shall, as soon as practicable but in any event not later than 90 days after the date of enactment of this Act, submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a draft of any technical and conforming changes in the Internal Revenue Code of 1986 which are necessary to reflect throughout such Code the changes in the substantive provisions of law made by this Act.

S. 76

*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 "Estate and Gift Tax Phase-Out Act of 1999".

### SEC. 2. FINDINGS.

Congress finds the following:

(1) The economy of the United States cannot achieve strong, sustained growth without adequate levels of savings to fuel productive activity. Inadequate savings have been shown to lead to lower productivity, stagnating wages, and reduced standards of living.

(2) Savings levels in the United States have steadily declined over the past 25 years, and have lagged behind the industrialized trading partners of the United States.

(3) These anemic savings levels have contributed to the country's long-term downward trend in real economic growth, which averaged close to 3.5 percent over the last 100

years but has slowed to 2.4 percent over the past quarter century.

(4) Repealing the estate and gift tax would contribute to the goals of expanding savings and investment, boosting entrepreneurial activity, and expanding economic growth.

(5) Abolishing the estate tax would restore a measure of fairness to the Federal tax system. Families should be able to pass on the fruits of labor to the next generation without realizing a taxable event.

(6) Abolishing the estate tax would benefit the preservation of family farms. Nearly 95 percent of farms and ranches are owned by sole proprietors or family partnerships, subjecting most of this property to estate taxes upon the death of the owner. Due to the capital intensive nature of farming and its low return on investment, farmers are 15 times more likely to be subject to estate taxes than other Americans.

### SEC. 3. PHASE-OUT OF ESTATE AND GIFT TAXES THROUGH INCREASE IN UNIFIED ESTATE AND GIFT TAX CREDIT.

(a) IN GENERAL.—The table in section 2010(c) of the Internal Revenue Code (relating to applicable credit amount) is amended to read as follows:

<b>"In the case of estates of decedents dying, and gifts made, during:</b>	<b>The applicable exclusion amount is:</b>
2000 .....	\$1,000,000
2001 .....	\$1,500,000
2002 .....	\$2,000,000
2003 .....	\$2,500,000
2004 .....	\$5,000,000."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 1997.

### SEC. 4. REPEAL OF FEDERAL TRANSFER TAXES.

(a) IN GENERAL.—Subtitle B of the Internal Revenue Code of 1986 is repealed.

(b) EFFECTIVE DATE.—The repeal made by subsection (a) shall apply to the estates of decedents dying, and gifts and generation-skipping transfers made, after December 31, 2004.

(c) TECHNICAL AND CONFORMING CHANGES.—The Secretary of the Treasury or the Secretary's delegate shall not later than 90 days after the effective date of this section, submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a draft of any technical and conforming changes in the Internal Revenue Code of 1986 which are necessary to reflect throughout such Code the changes in the substantive provisions of law made by this Act.

S. 77

*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 "Farmer and Entrepreneur Estate Tax Relief Act of 1999".

### SEC. 2. FINDINGS.

Congress finds the following:

(1) The economy of the United States cannot achieve strong, sustained growth without adequate levels of savings to fuel productive activity. Inadequate savings have been shown to lead to lower productivity, stagnating wages and reduced standards of living.

(2) Savings levels in the United States have steadily declined over the past 25 years, and have lagged behind the industrialized trading partners of the United States.

(3) These anemic savings levels have contributed to the country's long-term downward trend in real economic growth, which averaged close to 3.5 percent over the last 100 years but has slowed to 2.4 percent over the past quarter century.

(4) Congress should work toward reforming the entire Federal tax code to end its bias against savings.

(5) Repealing the estate and gift tax would contribute to the goals of expanding savings and investment, boosting entrepreneurial activity, and expanding economic growth. The estate tax is harmful to the economy because of its high marginal rates and its multiple taxation of income.

(6) The repeal of the estate tax would increase the growth of the small business sector, which creates a majority of new jobs in our Nation. Estimates indicate that as many as 70 percent of small businesses do not make it to a second generation and nearly 90 percent do not make it to a third.

(7) Eliminating the estate tax would lift the compliance burden from farmers and family businesses. On average, family-owned businesses spent over \$33,000 on accountants, lawyers, and financial experts in complying with the estate tax laws over a 6.5-year period.

(8) Abolishing the estate tax would benefit the preservation of family farms. Nearly 95 percent of farms and ranches are owned by sole proprietors or family partnerships, subjecting most of this property to estate taxes upon the death of the owner. Due to the capital intensive nature of farming and its low return on investment, farmers are 15 times more likely to be subject to estate taxes than other Americans.

(9) As the average age of farmers approaches 60 years, it is estimated that a quarter of all farmers could confront the estate tax over the next 20 years. The auctioning of these productive assets to finance tax liabilities destroys jobs and harms the economy.

(10) Abolishing the estate taxes would restore a measure of fairness to our Federal tax system. Families should be able to pass on the fruits of the labor to the next generation without realizing a taxable event.

(11) Despite this heavy burden on entrepreneurs, farmers, and our entire economy, estate and gift taxes collect only about 1 percent of our Federal tax revenues. In fact, the estate tax may not raise any revenue at all, because more income tax is lost from individuals attempting to avoid estate taxes than is ultimately collected at death.

(12) Repealing estate and gift taxes is supported by the White House Conference on Small Business, the Kemp Commission on Tax Reform, and 60 small business advocacy organizations.

### SEC. 3. INCREASE IN UNIFIED ESTATE AND GIFT TAX CREDIT.

(a) IN GENERAL.—The table in section 2010(c) of the Internal Revenue Code (relating to applicable credit amount) is amended—

(1) by striking "2000 and 2001" and inserting "2000 or thereafter",

(2) by striking "\$675,000" and inserting "\$5,000,000", and

(3) by striking all matter beginning with the item relating to 2002 and 2003 through the end of the table.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 1999.

S. 78

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

### SECTION 1. INCREASE IN GIFT TAX EXCLUSION.

(a) IN GENERAL.—Section 2503(b) of the Internal Revenue Code of 1986 (relating to exclusions from gifts) is amended—

(1) by striking "\$10,000" each place it appears and inserting "\$25,000",

(2) by striking "1998" in paragraph (2) and inserting "2000", and

(3) by striking "1997" in paragraph (2)(B) and inserting "1999".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to gifts made after December 31, 1999.

By Ms. SNOWE (for herself and Mr. JEFFORDS):

S. 79. A bill to amend the Federal Election Campaign Act of 1971 to require disclosure of certain disbursements made for electioneering communications, and for other purposes; to the Committee on Rules and Administration.

ADVANCING TRUTH AND ACCOUNTABILITY IN  
CAMPAIGN COMMUNICATIONS ACT OF 1999

Ms. SNOWE. Mr. President, I rise today to introduce on behalf of myself and Mr. JEFFORDS the Advancing Truth and Accountability in Campaign Communications Act of 1999, or ATACC, which represents an effort to attack the problem of stealth advocacy advertising in federal elections and shine the spotlight of disclosure on those who would attempt to fly under the radar screen of our campaign finance laws.

Before I begin, I want to thank and commend Senator JEFFORDS for all his valuable input and hard work in helping to craft this legislation, which was originally introduced as an amendment last year to the McCain-Feingold Campaign Finance Reform Bill. And I want to thank Senators MCCAIN and FEINGOLD themselves, who encouraged our efforts.

In the past several elections, we've seen a proliferation of advertisements over the airwaves which cloak themselves in the innocuous guise of "issue advocacy", or voter education. The sponsors of these ads would have us believe that they are performing a public service by running these ads, and do not intend for them to affect the outcome of federal elections. They claim that because they do not use words like "vote for", or "vote against", they are exempt from federal campaign finance laws. They even argue that no one has the right simply to know who is sponsoring the ads.

And yet, these ads say things like: "Mr. X promised he'd be different. But he's just another Washington politician. Why during the last year alone, he has taken over \$260,000 from corporate special interest groups. . . . But is he listening to us anymore?"

I defy anyone to argue, with a straight face, that that message is anything other than a blatant attempt to influence a federal election. And yet, under current law, any person, labor union, or corporation, has a right to run such ads without even disclosing the most basic information, such as who they are, or how much they are spending. And that is just plain wrong.

During the 1996 elections, the Annenberg Public Policy Center estimates that anywhere between \$135 million and \$150 million was spent by third party groups not associated with candidates' campaigns on such radio and television ads. I say "estimates" because we really don't know for sure.

There is no official record kept, nor is anyone required to submit the kind of information needed to keep such records.

And lest there be any doubt of the real intent of these ads, the Annenberg Report found that nearly 87 percent of them mentioned a candidate for office by name, and over 41 percent were seen by the public as "pure attack" ads—that's the highest percentage recorded among a group that also included Presidential ads, debates, free-time segments accorded candidates, and news programs.

If anything, not surprisingly, the problem got worse in the 1997-1998 election cycle. The Annenberg Center has completed their study of this time period, and has determined that issue ad spending in the last cycle doubled the amount spent in 1995 through 1996—to total between \$275 and \$340 million. Of those ads, over 53 percent mentioned candidates by name during the cycle—a number which rose to over 80 percent in the final two months. Further, 51.5 percent of issue ads aired after September 1, 1998, were pure attack ads in terms of their content. At least 77 groups ran broadcast issue ads in 1997 and 1998.

As Norm Ornstein of the American Enterprise Institute has stated, "(These are) conservative number(s), since there is no disclosure of (these) media buys or other spending." To put this in perspective, 1998 was the first billion dollar election—meaning that about a quarter of the money spent was on what I call "stealth advocacy" advertising. One quarter of all the money spent—which the Annenberg Center estimates is roughly equivalent to what candidates themselves spent on their own campaigns—was unaccounted for, unreportable and unregulated in any fashion. And, as Norm Ornstein has pointed out, 1998 was an "off-year", and "without campaign reform, we can probably look forward to the \$2 billion or \$3 billion election in 2000, with a half-billion of it disguised as issue advocacy."

Let me explain how this bill will get to the core of this problem; how it works; and why it is much more likely to pass court muster than previous attempts to get at this issue.

The premise of this bill was developed in consultation with noted constitutional scholars and reformers such as Norm Ornstein; Josh Rosenkrantz, Director of the Brennan Center for Justice at NYU; and others. The approach is a straightforward, two tiered one that only applies to advertisements that constitute the most blatant form of electioneering.

It only applies to ads run on radio or television, 30 days before a primary and 60 days before a general election, that identify a federal candidate. And only if over \$10,000 is spent on such ads in a year. What is required is disclosure of the ads' sponsor and major donors, and a prohibition on the direct or indirect use of corporation or union money to fund the ads.

We called this new category "electioneering ads". They are the only communications addressed, and we define them very narrowly and carefully.

If the ad is not run on television or radio; if the ad is not aired within 30 days of a primary or 60 days of a general election, if the ad doesn't mention a candidate's name or otherwise identify him clearly, if it isn't targeted at the candidate's electorate, or if a group hasn't spent more than \$10,000 in that year on these ads, then it is not an electioneering ad.

If it is an item appearing in a news story, commentary, or editorial distributed through a broadcast station, it is also not an electioneering ad. Plain and simple.

If one does run an electioneering ad, two things happen. First, the sponsor must disclose the amount spent and the identity of contributors who donated more than \$500 to the group since January 1 of the previous year. Right now, candidates have to disclose campaign contributions over \$200. Second, the ad cannot be paid for by funds from a business corporation or labor union—only voluntary contributions.

The clear, narrow wording of the bill is important because it passes two critical First Amendment doctrines that were at the heart of the Supreme Court's landmark Buckley versus Valeo decision: vagueness and overbreadth. The rules of this provision are clear. And the requirements are strictly limited to ads run near an election that identify a candidate—ads plainly intended to convince voters to vote for or against a particular candidate.

Nothing in this bill restricts the right of any group to engage in issue advocacy. For example, the following ad—which was actually run in 1996—would be completely unaffected by this bill. The text of the ad—which is a pure issue ad in the true sense of the term—says, "This election year, America's children need your vote. Our public schools are our children's ticket to the future. But education has become just another target for attack by politicians who want huge cuts in education programs. They're making the wrong choices. Our children deserve leaders who will strengthen public education, not attack it. They deserve the best education we can give them. So this year, vote as if your children's future depends on it. It does."

That is not an electioneering ad, and that conclusion is not simply based on perception. It is based on the fact that it does not meet the clearly delineated criteria put forth in our bill, and therefore, exists completely outside the realm of this legislation.

For that matter, nothing prohibits groups from running electioneering ads, either. Let me be clear on this: if this bill becomes law, any group running issue ads today can still run issue ads in the future, with no restrictions on content. And any group running electioneering ads can still run those ads in the future, again with absolutely zero restrictions on content.

The argument that will no doubt be leveled by opponents to this approach—those advocates of secrecy who do not want the public to know who is financing these ads, and for how much—is that it is inconsistent with the First Amendment of the Constitution. This is simply not so, and that's not just my opinion. Constitutional scholars from Stanford Law to Georgia Law to Loyola Law to Vanderbilt Law have endorsed the approach of this bill.

The fact is, the only restrictions in the bill—namely, the use of union and corporation treasury money to pay for electioneering ads—are rooted in well-established case law that has long allowed for the regulation of the use of such money for electioneering purposes. Further, the threshold for disclosure is more than double what it is for candidates who receive contributions, and absolutely no disclosure is required whatsoever from any person or entity which spends less than \$10,000. And it bears repeating that nothing in this bill affects any printed communications in any way, shape, or form—so voter guides are completely outside the universe of communications that are covered by this measure.

Mr. President, ATACC is a sensible, reasonable approach to attacking a burgeoning segment of electioneering that is making a mockery of our campaign finance system. I would ask my colleagues, how can anyone not be for disclosure? How can anyone say that less information for the public leads to better elections? Don't the American people have the right to know who is paying for these stealth advocacy ads, and how much?

Apparently, the majority of the Senate thought so. Last year, when this measure was approved as an amendment and incorporated into the McCain-Feingold legislation, the bill garnered 52 votes—bringing the majority of the Senate on board. Unfortunately, the will of the majority did not ultimately prevail, as we were unable to break the sixty votes necessary to end a threatened filibuster and institute real, fair and meaningful reform in the way in which American elections are financed.

But we have heard before that it can't be done, only to see the House of Representatives do it. Today, we have new members of this body—members who have seen first hand the effects these electioneering ads are having on campaigns and elections in this country, and I invite them to join with Senators JEFFORDS and I in supporting this bill. I would say to them that we, as candidates and Senators, are accountable to the people. We're required to file disclosure reports as candidates. PACs are required to disclose. But hundreds of millions of dollars are spent on these ads without one dime being reported. Not one dime.

Mr. President, I come to this debate as a veteran supporter of campaign finance reform. As someone who has served on Capitol Hill for twenty years,

I understand the realities, and I know that there are concerns on both sides of the aisle that whatever measure we may ultimately pass, it must be fair, equitable, and constitutional.

This bill passes all three of these tests. And it represents one, significant step we might take to ensure that the first elections of the next century—the next millennium—are more open, more fair, and more representative of the will of the individual. That's what this bill is really all about, Mr. President. It's about putting elections back into the hands of individuals by letting them have the facts they need to make informed decisions, and by ensuring that electioneering ads are paid for by voluntary, individual contributions.

That's all, Mr. President. No plot to subvert the First Amendment. No scheme to silence any group or person. No plan to control what anyone says or when they say it. Just an honest, constitutionally sound attempt to bring some honesty and accountability back into electioneering advertising, and return some sense of confidence to the American people that their elections belong to them. I ask my colleagues to join me in supporting this sensible, incremental approach, and join in the fight to attack secrecy and promote honesty in campaign advertising.

Mr. JEFFORDS. Mr. President, on this first legislative day of the 106th Congress I rise in the Senate Chamber to express my strong support for the bill Senator SNOWE and I are introducing and urge my Senate colleagues to join as cosponsors of this important legislation.

Throughout the last Congress the Senate spent many legislative hours debating campaign finance reform. In fact, since my election to the House in the wake of the Watergate scandal, I have spent many long hours working with my colleagues to craft campaign finance reform legislation that could endure the legislative process and survive a constitutional challenge. We came close in 1994 and last year, and I believe circumstances still remain right for enactment of meaningful campaign finance reform during this Congress.

I believe that the irregularities associated with our recent campaigns, and especially in the 1996 elections, point out the fact that current election laws are not being strongly enforced or working to achieve the goals that we all have for campaign finance reform. The proof obtained from the hearings in both the House and the Senate on campaign finance abuses should alone be enough to motivate my colleagues to complete work on this issue in the Senate. Without action, these abuses will become more pronounced and widespread as we go from election to election.

The Snowe-Jeffords bill, the Advancing Truth and Accountability of Campaign Communications Act (ATACC), will boost disclosure requirements and tighten the rule on expenditures of cor-

porate and union treasury funds in the weeks preceding a primary and general election.

I would like to begin with a story that may help my colleagues understand the need for this legislation, and that many of my colleagues may understand from their own campaigns. Two individuals are running for the Senate and have spent the last few months holding debates, talking to the voters and traveling around the state. Both candidates feel that they have informed the voters of their thoughts, views and opinions on the issues, and that the voters can use this information to decide on which candidate they will support.

Two weeks before the day of the election a group called the People for the Truth and the American Way, let's say, begins to run television advertisements which include the picture of one of the candidates and that candidate's name. However, these advertisements do not use the express terms of "vote for" or "vote against." These advertisements discuss issues such as the candidate's drinking, supposed off-shore bank accounts and the failure of the candidate's business.

The voters do not know who this group is, who are its financial backers and why they have an interest in this specific election, and under our current election law the voters will not find out. Thus, even though the candidates have attempted to provide the voters with all the information concerning the candidate's views on the issues, they will be casting their vote lacking critical information concerning these advertisements.

Some people may say that voters do not need this information. But as James Madison said, "A popular government without popular information is but a prologue to a tragedy or a farce or perhaps both. Knowledge will forever govern ignorance and a people who mean to be their own governors must arm themselves with the power which knowledge gives."

Mr. President, the ATACC act will arm the people with the knowledge they need in order to sustain our popular government. And the need to arm the people with this knowledge is becoming greater every year. As my colleague Senator SNOWE has stated, the amount of money spent on issue advocacy advertising is increasing over time at an alarming rate. In the 1995-1996 election cycle an estimated \$135-150 million was spent on issue advocacy, while in the recently completed cycle an estimated \$275-340 million was expended on these types of advertisements. This is a doubling of the amount of money spent on issue advocacy ads in one election cycle, and I fear entering an election cycle that includes a Presidential election that we may see at least another doubling of these type of expenditures.

I have long believed in Justice Brandeis' statement that, "Sunlight is said to be the best of disinfectants." The

disclosure requirements in the ATACC act are narrow and tailored to provide the electorate with the important pertinent information they will need to make an informed decision. Information included on the disclosure statement includes the sponsor of the advertisement, amount spent, and the identity of the contributors who donated more than \$500. Getting the public this information will greatly help the electorate evaluate those who are seeking federal office.

Additionally, this disclosure, or dis-infectant as Justice Brandeis puts it, will also help deter actual corruption and avoid the appearance of corruption that many already feel pervades our campaign finance system. This, too, is an important outcome of the disclosure requirements of this bill. Getting this information into the public purview would enable the press, the FEC and interest groups to help ensure that our federal campaign finance laws are obeyed. If the public doesn't feel that the laws Congress passes in this area are being followed, this will lead to a greater level of disillusionment in their elected representatives. Exposure to the light of day of any corruption by this required disclosure will help reassure our public that the laws will be followed and enforced.

While our bill focuses on disclosure, it will also prohibit corporations and unions from using general treasury monies to fund these types of electioneering communications in a defined period close to an election. Since 1907, federal law has banned corporations from engaging in electioneering. In 1947, that ban was extended to prohibit unions from electioneering as well. The Supreme Court has upheld these restrictions in order to avoid the deleterious influences on federal elections resulting from the use of money by those who exercise control over large aggregations of capital. By treating both corporations and unions similarly we extend current regulation cautiously and fairly. I feel that this prohibition, coupled with the disclosure requirements, will address many of the concerns my colleagues from both sides of the aisle have raised with regards to our current campaign finance laws.

Mr. President, I think it is important to clarify at this time some of the things that this bill will not do. It will not prevent grass-roots lobbying communications, it does not cover printed material, nor require the text or a copy of the advertisement to be disclosed. Finally, it does not restrict how much money can be spent on ads, nor restrict how much money a group raises. These points must be expressed early on to ensure that my colleagues can clearly understand what we are and are not attempting to do with our legislation.

We have taken great care with our bill to avoid violating the important principles in the First Amendment of our Constitution. This has required us to review the seminal cases in this area, including *Buckley v. Valeo*. Limit-

ing corporate and union spending and disclosure rules has been in area that the Supreme Court has been most tolerant of regulation. We also strove to make the requirements sufficiently clear and narrow to overcome constitutional claims of vagueness and over breadth.

Mr. President, I wish I could guarantee to my colleagues that these provisions would be held constitutional, but as we found out with the Religious Freedom Restoration Act, even with near unanimous support, it is difficult to gauge what the Supreme Court will decide on constitutional issues. However, I feel that the provisions we have created follow closely the constitutional roadmap established by the Supreme Court by the decisions in this area, and that it would be upheld.

I know that campaign finance reform is an areas of diverse viewpoints and beliefs. However, I feel that the ATACC act offers a constructive and constitutional solution that addresses some of the problems that have been expressed concerning our current campaign finance system. The American people are watching and hoping that we will have a fair, informative and productive debate on campaign finance reform. I know that the proposal that Senator SNOWE and I have put forward will do just that.

The electorate has grown more and more disappointed with the tenor of campaigns over the last few years, and this disappointment is reflected in the low number of people that actually participate in what makes this country and democracy great, voting. I feel that giving the voters the additional information required by our legislation will help dispel some of the disillusionment the electorate feel with our campaign system and reinvigorate people to participate again in our democratic system.

In conclusion, the very basis of our democracy requires that an informed electorate participate by going to the polls and voting. The ATACC act will through its disclosure requirements inform our electorate and lead people to again participate in our democratic system.

By Ms. SNOWE:

S. 80. A bill to establish the position of Assistant United States Trade Representative for Small Business, and for other purposes; to the Committee on Finance.

#### SMALL BUSINESS ENHANCEMENT ACT

Ms. SNOWE. Mr. President, I rise today to introduce legislation designed to help America's small business. This legislation will assist small businesses by requiring an estimate of the cost of a bill on small businesses before Congress enacts the legislation, and by creating an Assistant U.S. Trade Representative for Small Business.

Small business is the driving force behind our economy, and in order to create jobs—both in my home State of Maine and across the Nation—we must encourage small businesses expansion.

Nationwide, an estimated 13 to 16 million small businesses represent over 99 percent of all employers. They also employ 52 percent of the workers, and 38 percent of workers in high-tech occupations. Small businesses account for virtually all of the net new jobs, and 51 percent of private sector output.

In my home State of Maine, of the 36,660 businesses with employees in 1997, 97.6 percent of the businesses were small businesses. Maine also boasts an estimated 71,000 self-employed persons. In terms of job growth, small businesses are credited with all of the net new jobs in a survey of job growth from 1992 to 1996.

Small businesses are the most successful tool we have for job creation. They provide a substantial majority of the initial job opportunities in this country, and are the original—and finest—job training program. Unfortunately, as much as small businesses help our own economy—and the Federal Government—by creating jobs and building economic growth, government often gets in the way. Instead of assisting small business, Government too often frustrates small business efforts.

Federal regulations create more than 1 billion hours of paperwork for small businesses each year, according to the Small Business Administration. Moreover, because of the size of some of the largest American corporations, U.S. commerce officials too often devote a disproportionate amount of time to the needs and jobs in corporate America rather than in small businesses.

My legislation will address two problems facing our Nation's small businesses, and I hope it will both encourage small business expansion and fuel job creation.

One, this legislation will require a cost analysis legislative proposals before new requirements are passed on to small businesses. Too often, Congress approves well-intended legislation that shifts the costs of programs to small businesses. This proposal will help ensure that these unintended consequences are not passed along to small businesses.

According to the U.S. Small Business Administration, small business owners spend at least 1 billion hours a year filling out government paperwork, at an annual cost that exceeds \$100 billion. Before we place yet another obstacle in the path of small business job creation, we should understand the costs our proposals will impose on small businesses.

This bill will require the Director of the Congressional Budget Office to prepare for each committee an analysis of the costs to small businesses that would be incurred in carrying out provisions contained in new legislation. This cost analysis will include an estimate of costs incurred in carrying out the bill or resolution for a 4-year period, as well as an estimate of the portion of these costs that would be borne by small businesses. This provision will allow us to fully consider the impact of

our actions on small businesses—and through careful planning, we may succeed in avoiding unintended costs.

Two, this legislation will direct the U.S. Trade Representative to establish a position of Assistant U.S. Trade Representative for Small Business. The Office of the U.S. Trade Representative is overburdened, and too often overlooks the needs of small business. The new Assistant U.S. Trade Representative will promote exports by small businesses and work to remove foreign impediments to these exports.

Mr. President, I am convinced that this legislation will truly assist small businesses, resulting not only in additional entrepreneurial opportunities but also in new jobs. I urge my colleagues to join me in supporting this legislation.

By Mr. MCCAIN (for himself, Mr. FRIST, Mr. ALLARD, and Mr. AKAKA):

S. 81. A bill to authorize the Federal Aviation Administration to establish rules governing park overflights; to the Committee on Commerce, Science, and Transportation.

#### NATIONAL PARKS OVERFLIGHTS ACT

Mr. MCCAIN. Mr. President, I rise today to introduce the National Parks Overflights Act. This legislation intends to promote air safety and protect natural quiet in our national parks by providing a process for developing air tour management plans (ATMP) at those parks. An ATMP at a national park would manage commercial air tour flights over and around that park, and over any Native American lands within or adjacent to the park.

I would like to remind my colleagues that this is the same legislation that was approved overwhelmingly by the Senate last September, as part of the Wendell H. Ford National Air Transportation System Improvement Act, or the Federal Aviation Administration (FAA) reauthorization bill. Today I reintroduced the FAA reauthorization bill that was approved by the Senate last year. Title VI of the bill deals with national parks overflights.

Mr. President, the National Parks Overflights Act was developed at the recommendation of the National Parks Overflights Working Group. The working group was established to develop a plan for instituting flight restrictions over national parks because of the noise and environmental consequences associated with commercial air tours of the parks. Environmentalists, as well as general aviation and air tour industry representatives, constituted the membership of the working group. The group recommended a consensus proposal on overflights, which is embodied in the National Parks Overflights Act.

Visitors to our national parks, whether by air or through the entrance gate, deserve a safe and quality visitor experience. The number of air tour flights across the country is on the rise. As additional aircraft operate in

concentrated airspace, the risk of an accident increases. We have a responsibility to manage park airspace to provide for the safe and orderly flow of traffic.

"Natural quiet," or the ambient sounds of the environment without the intrusion of manmade noise, is a highly valued resource for visitors to our national parks. As commercial air tour flights increase, their noise also increases, which can impair the opportunity for park visitors on the ground to enjoy the natural quiet that they seek and deserve.

The National Parks Overflights Act seeks to promote both safety and natural quiet by providing a fair and balanced process for the development of Air Tour Management Plans at individual parks. The FAA Administrator and the Director of the National Park Service are to work cooperatively to develop an ATMP through a public process.

The development of an ATMP will include the environmental requirements of the National Environmental Policy Act. The bill would also require that commercial air tour operators increase their safety standards, specifically by meeting FAA Part 135 or Part 121 safety criteria.

Certain parks have been dealt with individually in the bill because of their unique circumstances. Since Grand Canyon overflights are governed by legislation that has already been enacted into law, the Grand Canyon National Park has been exempted from the legislation. Alaska is also exempt from the legislation given the vast expanse of park land and the unique nature of aviation in the state. The legislation would prohibit commercial air tours of the Rocky Mountain National Park.

Let me conclude by saying that commercial air tours provide a legitimate means of experiencing national parks. They are particularly important for providing access to the elderly and the disabled. I believe that this legislation appropriately balances the rights of all park visitors. I hope and expect that we can work together toward its swift enactment.

By Mr. MCCAIN (for himself, Mr. HOLLINGS, Mr. LOTT, Mr. ROCKEFELLER, Mr. FRIST, Mr. BRYAN, Mr. WYDEN and Mr. AKAKA):

S. 82. A bill to authorize appropriations for Federal Aviation Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

#### THE AIR TRANSPORTATION IMPROVEMENT ACT

Mr. MCCAIN. Mr. President, I rise today to introduce the Air Transportation Improvement Act, which would reauthorize the programs of the Federal Aviation Administration (FAA), including the Airport Improvement Program (AIP). This legislation includes numerous provisions that will help sustain and enhance safety, secu-

rity, efficiency, and competition in the national aviation system. The bill also would establish a widely-endorsed system for managing the environmental consequences of commercial air tour flights over national parks.

As most of my colleagues know, the Commerce Committee worked hard last year to develop a multi-year FAA reauthorization bill. Following a bipartisan, inclusive, and constructive process, we developed a package that among other things would have authorized important airport construction grants. The legislation also would have instituted a host of safety and security enhancements.

One of the key elements of last year's Senate-passed FAA bill was the aviation competition and service title. It would have modestly enhanced the capacity at the four slot-controlled airports in the country—LaGuardia and JFK in New York, Chicago O'Hare, and Reagan National. New entrant, low fare carriers have been effectively shut out of these key markets, which are critical to sustaining a healthy network and giving consumers new low cost choices.

Senator FRIST and Majority Leader LOTT were instrumental in developing these proposals. Senator FRIST in particular has been out in front in the effort to bolster the role that regional jets play in the overall aviation system. As everyone who cares about the quality of air service knows, regional jets will be integral to expanding and improving service to small and medium-sized communities in the years to come.

Unfortunately, special interests worked to thwart our efforts and killed these provisions to encourage airline competition. Instead of delivering pro-consumer aviation legislation to the traveling public, Congress failed to act after some of the major airlines applied pressure against these proposals that threatened their lock on the market.

On the same day that the Senate approved the bill by a vote of 92 to one, we also appointed conferees. Although the House approved its own FAA reauthorization bill in August of last year, the leadership failed to appoint conferees. As a result, the two chambers were never given an opportunity to reconcile the two bills. Congress was then forced to include a short-term reauthorization of the AIP in the Omnibus Appropriations Act for fiscal year 1999. This was a clear failure on the part of the 105th Congress.

The text of the bill I am introducing today is nearly identical to the FAA reauthorization bill that the Senate approved overwhelmingly last year. The only changes that have been made involve a few purely technical corrections and removal of provisions that have already been enacted into law.



In last year's Omnibus Appropriations Act, we reauthorized the AIP for six months so that this Congress would have to act immediately to complete the work of the last Congress. The AIP is set to expire on March 31, 1999. With the introduction of this bill, I am fulfilling my commitment to continue the reauthorization process where the last Congress left off in a time frame that ensures the continuation of the federal airport grant program.

I plan to hold a hearing on this bill and to mark it up as soon as possible. The heavy lifting has already been done. The bill may undergo some revisions, especially considering our good fortune to have Senator ROCKEFELLER appointed as the new ranking member on the Aviation Subcommittee. Even so, it will not be necessary for us to start from scratch. As the Commerce Committee begins this effort, I look forward to working again with Senators GORTON, HOLLINGS, and ROCKEFELLER, as well as the rest of my colleagues, on a reauthorization package that all Senators can support.

Mr. President, we must work over the next few months to finish the job we started last year. It is vital that we push forward with the important pro-consumer provisions that are included in this bill. Last year, consumers lost out to special interests. This year, I will use all means at my disposal to ensure that does not happen again.

Mr. ROCKEFELLER. Mr. President, today, I join with Senator MCCAIN, Senator HOLLINGS and others in introducing legislation to authorize spending for the Federal Aviation Administration (FAA) through fiscal year 2000. As we embark on this new session of a new Congress, it is critical that we begin immediately the process of putting together a comprehensive aviation bill—to ensure that the FAA is fully authorized, to facilitate continued critical airport development, and to address a number of broad aviation policy matters.

I want to make clear at the outset that I join as a cosponsor of this bill as a starting point. Senator MCCAIN plans to pursue vigorously a comprehensive bill, and that will be our first order of business, but haste may not allow us to do all that we want and have a responsibility to do, particularly if the House continues to pursue its own clean, 6-month reauthorization bill, and then a long-term bill. I am hopeful that we will accomplish our objectives expeditiously, but I see any number of hurdles in our path and believe that in the Senate, too, we may need to pursue a short-term extension and then give this legislation the consideration it is due.

As my colleagues know, I have the honor in this Congress of following in the great foot steps of Wendell Ford, who served this body for 24 years, and served as Chairman and Ranking Member of the Aviation Subcommittee for as long as any of us can remember. In fact, the bill being introduced today,

essentially the same bill that passed the Senate last year, honored the Senator by naming it the Wendell H. Ford Air Transportation Safety Improvement Act, at the unanimously-endorsed suggestion of Senator TED STEVENS.

In stepping into Senator Ford's shoes, I aim to ensure not only that the aviation needs of West Virginia and other rural states and communities are secured, but also that the needs of the nation and of my colleagues' constituents are addressed. Certainly there will be competing interests and sometimes conflicts, but we all must and share in the fundamental responsibility to maintain safety in the skies, to support fully the needs of the aviation system and modernization effort, to ensure that the industry provides the service our constituents demand and deserve, to facilitate stable funding sources for our airports, and to be vigilant in opening up markets for our air carriers worldwide. These are all daunting tasks but we are up to the challenge, and I look forward to working with the Chairman, and members of the Committee in crafting an aviation bill that we can all take pride in.

The bill before you is a place to begin our discussion.

Last year, the Congress was able to pass only a six-month extension of the Airport Improvement Program (AIP), effectively freezing half of the \$1.95 billion allocated to the program. Absent a reauthorization, our airports and our constituents may lose the ability to upgrade a runway or start an expansion project that facilitates new business opportunities for our communities—all because we're having trouble figuring out a way out of the box we are in. Senator MCCAIN's resolve notwithstanding, our House counterparts have already favorably reported a clean, 6-month extension of the program. Even if we can reach agreement about our immediate needs, I do not want the Senate to pass a bill only to see the program lapse because our House colleagues refuse to consider anything other than a clean, short-term extension, before the March deadline, saving the major issues and a long-term bill for later in the year. The blame-game that would ensue would only harm the citizens who sent us here. We can get more slots, we can work to improve service to small communities, we can make sure the FAA has the ability to move forward with its modernization plans, but it will not happen overnight.

Let me give you but one example. Senator GORTON last year offered an amendment in the Commerce Committee that would have raised the passenger facility charge (PFC) from \$3 per enplanement to \$4. I supported Senator GORTON. I expect that he will again try to raise the PFC, and the Administration has indicated that they will propose an increase as well. This is a tough issue, pitting the carriers against the airports, and letting some claim that it is a new tax. However, an-

other dollar could get us a lot more capacity at our nation's airports.

In front of us are the daunting future needs of the aviation system. All of the projections show that we will have 300 million more passengers by the year 2009. As much as I would like them all to flow through West Virginia, I know that all of our airports will face constraints—money is tight, and a PFC increase will help. How the PEC is structured, the types of controls possible, and what they are used for, are all difficult choices, and I want to work with the airports and the carriers to try to resolve this issue in a balanced way.

The air traffic control system also needs to be revamped. It is a complex system and each new system requires changes in the cockpit, new procedures and new avionics—change, therefore, that cannot happen overnight. GAO recently reported that the FAA is making progress, changing the way it does business and working with the industry to figure out what is needed. GAO also reports that the FAA will need \$17 billion to complete the modernization effort. Without that degree of funding, we may not be able to get all we want—new computers, new ways to move aircraft, and more capacity to make the system safer. According to the National Civil Aviation Review Commission, unless we address this problem, we are facing gridlock in the skies.

So, funding of the FAA is a critical, critical matter. I know Congressman SHUSTER wants to take the Airport and Airways Trust Fund off budget, but what I found last year is that the offset for taking trust funds can be devastating to totally unrelated programs. Right now, I know that the FAA is supported not only by the Trust Fund revenues, but also a large contribution from the general fund, which should be continued in recognition of the important public benefits provided by aviation.

Finally, I know that the administration will be submitting its legislative proposal to us within the next few weeks. We need to take a careful look at those recommendations, and sit down with Secretary Slater and Administrator Garvey to develop a blue print for the future. We have an opportunity this year to make some real changes. I do not want it to pass us by.

By Mr. MCCAIN (for himself, Mr. HOLLINGS, Mr. LOTT, Mr. ROCKEFELLER, Mr. FRIST, Mr. BRYAN, Mr. WYDEN, Mr. AKAKA, Mr. GORTON, and Mr. DORGAN):

S. 82. A bill to authorize appropriation for Federal Aviation Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AIR TRANSPORTATION IMPROVEMENT ACT

Mr. HOLLINGS. Mr. President: As the 106th Congress begins, we have to address unfinished business first. As many Senators know, the vitally important legislation to reauthorize the

Federal Aviation Administration (FAA) and the Airport Improvement Program (AIP) passed in September by a vote of 92-1. For a variety of reasons negotiations between the House and Senate unfortunately resulted in only a 6-month extension, expiring at the end of March of this year.

The bill being introduced today is an effort to reauthorize the programs of the Federal Aviation Administration for two years. In today's global economy, adequate airport facilities are a critical component of any economic development program. The FAA's Airport Improvement Program plays a central role in ensuring that communities have adequate airport facilities. For FY 1998, the FAA received \$1.9 billion. For FY 1999, the FAA would have received \$1.95 billion. Instead, the agency will receive only half of that amount, unless we pass either a short term bill or a long term extension of the program. One course we know can work quickly. The other course is more challenging.

While it is critically important that we work together to pass this vital legislation, I do want to raise an issue of fundamental importance. That is truth in budgeting. I have supported taking trust funds out of the unified Federal budget for many years. This year, there may be an opportunity to actually make it happen. What is good for highways is good for aviation. At the end of FY 1998, the Airport and Airway Trust Fund uncommitted surplus was \$4.339 billion, according to the Congressional Budget Office. It is projected to rise to \$13.419 billion by the end of FY 2000 and to \$79.325 billion by FY 2008. We are collecting the taxes, but are not giving people what they expect, what they paid for, or what they deserve.

We know that the FAA needs money to buy new computers and to use satellite technology. We can take it from the existing revenues, while continuing the general fund contribution, or we can limp along, giving the FAA a portion of what we all know it needs. If we do that there are consequences, and the fault is ours, not the agency's. It is that simple.

There are difficult problems facing the 106th Congress. Our constituents are demanding reasonable fares. Competition can work well to give us reasonable fares, but it has also created unfortunate anomalies. Look around the country—in the 1980's, the Department of Transportation approved every single merger that was proposed. Now we have a consolidated industry, with the big 3 air carriers accounting for nearly 55-60% of the market, and the Northwest-Continental alliance accounting for another 16-17%.

Over the years, I have asked the General Accounting Office to look at fares at small and medium hubs, places like Charleston, S.C. They reported that fares were in fact higher, on average at Charleston, at Greenville, and many other small communities. Last week, the Department of Transportation reported that Charleston had the 5th

highest air fares in the country. I did not realize we were 5th, a dubious honor, but I knew they were high. We have a deregulated air transportation system, dependent upon mega-carriers for service, and beholden to them on fares. Without a hub system aggregating traffic, small communities would not receive the service they do today. Yet, the same ability allows the carriers to place the small towns at their mercy. Our economy and ability to grow, to attract new businesses, are now highly dependent upon those same carriers. A low cost carrier may come into a market, cause a ripple in lowering the fares, and then be driven out. We had that with Air South. Getting service to one of the four slot-controlled airports, while important for that route, will not result in lower air fares for the rest of the markets. The average may drop overall, but the statistics do not then tell the real story. Determining how we address this problem will be difficult, but it must be done.

There also are a number of issues important to aviation employees and others that must be addressed as we move through the legislative process. For example, issues involving foreign repair stations must be examined, and the bill includes a task force to address this issue. FAA employees must once again be granted access to the Merit System Protection Board and a Universal Access System must be authorized. Whistle-blower protection is another important issue. I look forward to working with Chairman MCCAIN, Chairman GORTON, and Ranking Member ROCKEFELLER toward meeting these objectives and ensuring that our final product is a bill that enjoys the broad support of the aviation community.

The comprehensive bill I am co-sponsoring today may not be completed for many months, and we may have to pass a short term extension to make sure that the money for airports does not get tied up. Nevertheless, I know that the Chairman is anxious to get us all moving, so let the debate begin and let us move forward expeditiously in order to fund these critically important programs.

Mr. BRYAN. Mr. President, I am pleased to join Chairman MCCAIN today as a cosponsor of the Air Transportation Improvement Act. As Senator MCCAIN has indicated, this legislation is exactly the same as legislation approved by the Senate last year by a vote of 99-1.

Passing legislation to extend the Airport Improvement Program needs to be among our highest priorities for early action in this Congress. While I do not support every provision of this legislation, it was a reasonable compromise, which enjoyed nearly unanimous support in the Senate last year. As pressure continues to increase on our national aviation system, and with the looming Y2K problem, we need to act quickly to ensure continued improvements in air safety and efficiency.

One provision of this legislation of particular interest to me, and many others, is the provision related to the Reagan Washington National Airport "perimeter rule."

Codified in 1986, the National "perimeter rule" limits non-stop flights serving National to destinations within 1250 miles of the airport. Originally enacted to promote the development of Dulles Airport as the region's long-haul carrier, the "perimeter rule" has long outlived its original justification, and remains today a significant barrier to competition in a very competitive aviation industry.

While the justification for the "perimeter rule" has long since faded, it continues to unfairly limit service to communities outside of the 1250 mile perimeter. Communities like Las Vegas, a community that desperately needs additional air service, are denied access to a very significant airport. In addition, air carriers which happen to operate hubs located outside of the perimeter face a very serious competitive disadvantage. On numerous occasions, the General Accounting Office has identified the "perimeter rule" as a barrier to entry in the Washington, DC air service market.

Simply put, the "perimeter rule" should be repealed. Nevadans, and other Westerners, deserve the same access to our nation's capital city as those in the East. Continuing this discriminatory, artificial barrier to competition creates major inequities in our national transportation system.

The legislation we are introducing today, unfortunately, does not repeal the "perimeter rule." Instead, like the legislation passed last year by the Senate, the legislation grants limited exemptions from the perimeter rule for up to 12 additional slots a day at Washington National. Last year, in the interest of compromise, I supported this approach. I continue to be concerned, however, that the 12 new, outside the perimeter slots, if enacted, will be insufficient to truly address the competitive problems created by the "perimeter rule." While I support Chairman MCCAIN's attempt to reach consensus on this issue, I am hopeful that last year's approach can be further refined to create additional opportunities for Washington National service from beyond the 1250 mile perimeter, while at the same time recognizing the interests of those communities within the current perimeter, as well as Northern Virginia.

I look forward to working with the Chairman, and other members of the Commerce Committee, on this important legislation.

By Ms. SNOWE:

S. 90. A bill to establish reform criteria to permit payment of United States arrearages in assessed contributions to the United Nations; to the Committee on Foreign Relations.

By Ms. SNOWE:

S. 91. A bill to restrict intelligence sharing with the United Nations; to the Committee on Foreign Relations.

## UNITED NATIONS REFORM LEGISLATION

Ms. SNOWE. Mr. President, today I am submitting two pieces of legislation to address some of the most critical issues affecting our relations with the United Nations—the U.S. arrearage in financial contributions to the United Nations, and sharing of intelligence information with the U.N.

The first bill, the United Nations Reform Act is a bill that I have been working on for several years beginning in my former capacity as chair of the Foreign Relations Subcommittee on International Operations. With the United Nations now entering its second half-century, the question being raised is not whether the United Nations can continue its growth for another 50 years, but whether it can survive as an important international institution in the short term.

I believe we must genuinely restore a bipartisan consensus on the United Nations within Congress and among the American people. That is the intent of this legislation, which sets reasonable and achievable reform criteria for the United Nations, linked to a 5-year repayment plan for the arrearages that have build up on the U.N. system.

The plan would set up a five-step/five-year process under which the President would each year have to certify that specific reform guideposts have been met at the United Nations, permitting payment each year of one-fifth of outstanding U.S. arrearages.

In the first year, the President would have to certify that a hard freeze zero nominal growth budget at the United Nations had been maintained and that budgetary transparency at the world body had been enhanced through opening up the United Nations to member State auditing and fully funding the new U.N. inspector general office.

In the second year, the President would have to certify that U.S. representation had been restored to a key U.N. budgetary oversight body the Advisory Committee on Administrative and Budgetary Questions [ACABQ].

In the third year, the President would have to certify that a long-standing U.N. peacekeeping reform goal had been achieved. This reform would ensure that the United States receives full credit or reimbursement for the very substantial logistical and in-kind support our military provides to assessed U.N. peacekeeping missions.

In the fourth year, the President would have to certify that a significant reform in the United Nations' budget process had been achieved. This reform would be to divide the U.N. regular budget into an assessed core budget and a voluntary program budget. The source of much of the United Nations' problems stems from the fact that the United Nations' assessed budget is increasingly used for development programs and other activities that should

not be included in our mandatory dues for membership. This reform can be achieved without a revision in the U.N. Charter.

Finally, in the fifth year the President would have to certify that a major U.N. consolidation plan has been approved and implemented. This plan must entail a significant reduction in staff and an elimination of the rampant duplication, overlap, and lack of coordination that exists throughout the U.N. system.

Clearly, there is an urgent need to turn around the United Nations' dangerous slide into constant crisis, which could ultimately threaten the organization's usefulness as an important tool for addressing world problems. I am convinced that this can only be achieved through the kind of bold reform agenda that is set forth in this legislation.

Mr. President, I believe it is useful for us to look back on the original purpose of the United Nations, as it was envisioned 51 years ago. The United Nations was created from the ashes of World War II, with the hope of avoiding future world-wide conflagrations through international cooperation. The main focus for this mission was the Security Council, the only entity empowered under the U.N. Charter to act on the great questions of world peace. The General Assembly was intended to be a forum for debate on any issue that any nation wanted to bring before the assembled nations of the world. The U.N. Secretariat was to be a small professional staff needed to support the activities of the Security Council and General Assembly.

The U.N. system was also to conduct specific activities in technical cooperation, such as those undertaken by the International Civil Aviation Organization and the International Telecommunications Union. Finally, the United Nations was to have an important role in responding to international humanitarian crises. Most critical is the work of the U.N. High Commissioner for Refugees, who today protects millions of the world's most vulnerable men, women, and children—particularly women and children, who comprise 80 percent of the world's refugees.

Regrettably, the United Nations system that exists today falls short of the intentions of its founders. There are two interrelated, fundamental problems with U.N. system. One is that there are those who attempted to use the world organization to advance agendas that frankly do not reflect world realities. The more the United Nations is used to transcend what some see as the harsh realities of the world and its Nation-State system, the less relevant the United Nations becomes to the real world in which we all live.

Closely related has been the massive and uncoordinated growth of the United Nations and its specialized agencies. The U.N. General Assembly and its related bodies in the specialized agencies have used the tool of the

budget to grow the U.N. bureaucracy far beyond what is needed to respond to real world problems. The small professional staff of the U.N. Secretariat now approaches 18,000—counting the proliferation of consultants and contract employees—and the staff of the U.N. system worldwide now exceeds 53,000.

Too many nations simply do not find a compelling need for efficiency and budgetary restraint in the U.N. system. Of the U.N.'s 185 member nations, a near-majority are assessed at the minimum .01 percent rate, paying essentially nothing toward U.N. budget. The top ten assessed countries—United States, Japan, Germany, France, Russia, Britain, Italy, Canada, Spain and Brazil—are billed for almost 80 percent of the U.N. budget, with the United States paying more than any other country. In just 10 years of supposed zero-growth budgets, the U.N.'s budget doubled. Over the last two decades, the U.N.'s budget has tripled.

There are those who argue that all of the U.N.'s problems come from the United States. But the United Nations' difficulties with the United States arise from these deeply rooted problems within the U.N. structure itself. Even many supporters of the United Nations have characterized today's U.N. system as bloated, inefficient, duplicative, and disorganized. For instance, Canadian businessman and six-time U.N. Under-Secretary-General Maurice Strong has stated that the United Nations could work better than it does today with less than half as many people.

The surprising thing is that among serious analysts of the United Nations there is remarkable agreement on what needs to be done. The U.N. system needs to be significantly reduced in size and needs true consolidation among its far-flung, duplicative elements. The budget process needs similarly dramatic reform. The United Nations needs to concentrate on a few key achievable missions—security, humanitarian relief, purely technical cooperation—and refrain from its proliferating exercises in internal nation-building and grandiose missions of global norm-setting. All of these basic reform needs have been addressed in the U.N. reform legislation I am introducing today.

This legislation, I believe, will go a long way toward setting a new course in our relations with the United Nations. If we in Congress fail to rise to the challenge; if the U.N. attempts to defend an unsustainable status quo; if the Administration's new foreign policy team does not reach out to Congress to achieve a genuine bipartisan consensus on the need for U.N. reform; if the U.N.'s dangerous slide to expensive irrelevance continues, then we will have lost a unique opportunity for reform. If this should happen, it is not at all clear to me whether such an opportunity will soon return.

As a complement to my U.N. reform bill, I am also introducing this U.N.-related bill which I sponsored in the last

two Congresses to protect U.S. intelligence information which is shared with the United Nations or any of its affiliated organizations by requiring that procedures for protecting intelligence sources and methods are in place at the United Nations that are at least as stringent as those maintained by countries with which the United States regularly shares similar types of information. This requirement may be waived by the President for national security purposes but only on a case by case basis and only when all possible measures for protecting the information have been taken.

This legislation grew out of my concern about reports of breaches of U.S. classified material by the United Nations in 1993, 1994, and in 1995 when the United Nations pulled out of Somalia. I am pleased to note that some attention has been paid by this body to the problems that can result when U.S. intelligence information is shared with international bodies. Condition 5 of the resolution of ratification for the Chemical Weapons Convention, which protects U.S. intelligence shared with the Organization for the Protection of Chemical Weapons, was based on my intelligence-sharing legislation.

This legislation, I believe, will go a long way toward addressing the problems we have witnessed in the past concerning intelligence information sharing with the U.N.

Mr. President, I urge my colleagues to consider the legislation I am introducing today as the best course for restoring the bipartisan consensus in this country on the United Nations. I urge my colleagues to join me in supporting this legislation.

By Mr. DOMENICI (for himself, Mr. THOMPSON, Mr. LIEBERMAN, Mr. THOMAS, Ms. SNOWE, Mr. ROTH, Mr. GRASSLEY, Mr. GRAMM, Mr. NICKLES, Mr. ABRAHAM, Mr. FRIST, Mr. GRAMS, Mr. SMITH or Oregon, Mr. MCCAIN, Mr. KYL, Mr. LUGAR, and Ms. COLLINS):

S. 92. A bill to provide for biennial budget process and a biennial appropriations process and to enhance oversight and the performance of the Federal Government; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

BIENNIAL BUDGETING AND APPROPRIATIONS ACT

Mr. DOMENICI. Mr. President, on behalf of Senator THOMPSON, the distinguished Chairman of the Governmental Affairs Committee, Senator LIEBERMAN, the distinguished Ranking Member of the Governmental Affairs Committee and 13 other Senators, I rise to introduce the "Biennial Budget and Appropriations Act," a bill to convert the budget and appropriations process to a two-year cycle and to enhance oversight of federal programs.

Mr. President, our most recent experience with the Omnibus Consolidated and Emergency Supplemental Appropriations Act shows the need for a biennial appropriations and budget process. That one bill clearly demonstrated Congress is incapable of completing the budget, authorizing, and appropriations process on an annual basis. That 4,000 paged bill contained 8 of the regular appropriations bills, \$9 billion in revenue provisions, \$21.4 billion in "emergency" spending, and 40 miscellaneous funding and authorization provisions.

Congress should now act to streamline the system by moving to a two-year, or biennial, budget process. This is the most important reform we can enact to streamline the budget process, to make the Senate a more deliberative and effective institution, and to make us more accountable to the American people.

Mr. President, moving to a biennial budget and appropriations process enjoys very broad support. President Clinton supports this bill. Presidents Reagan and Bush also proposed a biennial appropriations and budget cycle. Leon Panetta, who served as White House Chief of Staff, OMB Director, and House Budget Committee Chairman, has advocated a biennial budget since the late 1970s. Former OMB and CBO Director Alice Rivlin has called for a biennial budget the past two decades. Both of the Senate Leaders support this legislation. And, at the end of last year, 37 Senators wrote our two Senate Leaders calling for quick action to pass legislation to convert the budget and appropriations process to a two-year cycle.

The most recent comprehensive studies of the federal government and the Congress have recommended this reform. The Vice President's National Performance Review and the 1993 Joint Committee on the Reorganization of Congress both recommended a biennial appropriations and budget cycle.

A biennial budget will dramatically improve the current budget process. The current annual budget process is redundant, inefficient, and destined for failure each year. Look at what we struggle to complete each year under the current annual process. The annual budget process consumes three years: one year for the Administration to prepare the President's budget, another year for the Congress to put the budget into law, and the final year to actually execute the budget.

Today, I want to focus just on the Congressional budget process, the process of annually passing a budget resolution, authorization legislation, and 13 appropriation bills. The record clearly shows that last year's experience was nothing new. Under the annual process, we consistently fail to complete action on the 13 appropriations bills, to authorize programs, and to meet our deadlines.

Since 1950 Congress has only twice met the fiscal year deadline for com-

pletion of all thirteen individual appropriations bills to fully fund the government.

The Congressional Budget Office's recent report on unauthorized appropriations shows that for fiscal year 1999, 118 laws authorizing appropriations have expired. These laws cover over one-third or \$102.1 billion of appropriations for non-defense programs. Another 10 laws authorizing non-defense appropriations will expire at the end of fiscal year 1997, representing \$10.4 billion more in unauthorized non-defense programs.

We have met the statutory deadline to complete a budget resolution only three times since 1974. In 1995, we broke the Senate record for the most roll call votes cast in a day on a budget reconciliation bill. The Senate conducted 39 consecutive roll call votes that day, beginning at 9:29 in the morning and finishing up at 11:59 that night.

While we have made a number of improvements in the budget process, the current annual process is redundant and inefficient. The Senate has the same debate, amendments and votes on the same issue three or four times a year—once on the budget resolution, again on the authorization bill, and finally on the appropriations bill.

I recently asked the Congressional Research Service (CRS) to update and expand upon an analysis of the amount of time we spend on the budget. CRS looked at all votes on appropriations, revenue, reconciliation, and debt limit measures as well as budget resolutions. CRS then examined any other vote dealing with budgetary levels, Budget Act waivers, or votes pertaining to the budget process. Beginning with 1980, budget related votes started dominating the work of the Senate. In 1996, 73 percent of the votes the Senate took were related to the budget.

If we cannot adequately focus on our duties because we are constantly debating the budget in the authorization, budget, and appropriations process, just imagine how confused the American public is about what we are doing. The result is that the public does not understand what we are doing and it breeds cynicism about our government.

Under the legislation I am introducing today, the President would submit a two-year budget and Congress would consider a two-year budget resolution and 13 two-year appropriation bills during the first session of a Congress. The second session of the Congress would be devoted to consideration of authorization bills and for oversight of government agencies.

Most of the arguments against a biennial budget process will come from those who claim we cannot predict or plan on a two year basis. For most of the budget, we do not actually budget on an annual basis. Our entitlement and revenue laws are under permanent law and Congress does not change these law on an annual basis. The only component of the budget that is set in law annually are the appropriated, or discretionary, accounts.

Mr. President, the most predictable category of the budget are these appropriated, or discretionary, accounts of the federal government. I recently asked CBO to update an analysis of discretionary spending to determine those programs that had unpredictable or volatile funding needs. CBO found that only 4 percent of total discretionary funding fell into this category. Most of this spending is associated with international activities or emergencies. Because most of this funding cannot be predicted on an annual basis, a biennial budget is no less deficient than the current annual process. My bill does not preclude supplemental appropriations necessary to meet these emergency or unanticipated requirements.

Mr. President, in 1993 I had the honor to serve as co-Chairman on a Joint Committee that studied the operations of the Congress. Senator BYRD testified before that Committee that the increasing demands put on us as Senators has led to our "fractured attention." We simply are too busy to adequately focus on the people's business. This legislation is designed to free up time and focus our attention, particularly with respect to the oversight of federal programs and activities.

Frankly, the limited oversight we are now doing is not as good as it should be. We have a total of 34 House and Senate standing authorizing committees and these committees are increasingly crowded out of the legislative process. Under a biennial budget, the second year of the biennium will be exclusively devoted to examining federal programs and developing authorization legislation. The calendar will be free of the budget and appropriations process, giving these committees the time and opportunity to provide oversight, review and legislate changes to federal programs. Oversight and the authorization should be an ongoing process, but a biennial appropriations process will provide greater opportunity for legislators to concentrate on programs and policies in the second year.

We also build on the oversight process by incorporating the new requirements of the Government Performance and Results Act of 1993 into the biennial budget process. The primary objective of this law is to force the federal government to produce budgets focused on outcomes, not just dollars spent.

Mr. President, a biennial budget cannot make the difficult decisions that must be made in budgeting, but it can provide the tools necessary to make much better decisions. But, under the current annual budget process we are constantly spending the taxpayers' money instead of focusing on how best and most efficiently we should spend the taxpayers' money. By moving to a biennial budget cycle, we can plan, budget, and appropriate more effectively, strengthen oversight and watchdog functions, and improve the efficiency of government agencies.

Mr. President, I ask unanimous consent that a description of the Biennial

Budgeting and Appropriations Act be made a part of the RECORD along with a copy of the bill.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

S. 92

*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 "Biennial Budgeting and Appropriations Act".

#### SEC. 2. REVISION OF TIMETABLE.

Section 300 of the Congressional Budget Act of 1974 (2 U.S.C. 631) is amended to read as follows:

##### "TIMETABLE

"SEC. 300. (a) IN GENERAL.—Except as provided by subsection (b), the timetable with respect to the congressional budget process for any Congress (beginning with the One Hundred Seventh Congress) is as follows:

	"First Session
"On or before:	Action to be completed:
First Monday in February .....	President submits budget recommendations.
February 15 .....	Congressional Budget Office submits report to Budget Committees.
Not later than 6 weeks after budget submission.	Committees submit views and estimates to Budget Committees.
April 1 .....	Budget Committees report concurrent resolution on the biennial budget.
May 15 .....	Congress completes action on concurrent resolution on the biennial budget.
May 15 .....	Biennial appropriation bills may be considered in the House.
June 10 .....	House Appropriations Committee reports last biennial appropriation bill.
June 30 .....	House completes action on biennial appropriation bills.
August 1 .....	Congress completes action on reconciliation legislation.
October 1 .....	Biennium begins.
	"Second Session
"On or before:	Action to be completed:
February 15 .....	President submits budget review.
Not later than 6 weeks after President submits budget review.	Congressional Budget Office submits report to Budget Committees.
The last day of the session ....	Congress completes action on bills and resolutions authorizing new budget authority for the succeeding biennium.

"(b) SPECIAL RULE.—In the case of any first session of Congress that begins in any year immediately following a leap year and during which the term of a President (except a President who succeeds himself) begins, the following dates shall supersede those set forth in subsection (a):

	"First Session
"On or before:	Action to be completed:
First Monday in April .....	President submits budget recommendations.
April 20 .....	Committees submit views and estimates to Budget Committees.
May 15 .....	Budget Committees report concurrent resolution on the biennial budget.
June 1 .....	Congress completes action on concurrent resolution on the biennial budget.
July 1 .....	Biennial appropriation bills may be considered in the House.
July 20 .....	House completes action on biennial appropriation bills.
August 1 .....	Congress completes action on reconciliation legislation.
October 1 .....	Biennium begins."

#### SEC. 3. AMENDMENTS TO THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.

(a) DECLARATION OF PURPOSE.—Section 2(2) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 621(2)) is amended by striking "each year" and inserting "biennially".

(b) DEFINITIONS.—

(1) BUDGET RESOLUTION.—Section 3(4) of such Act (2 U.S.C. 622(4)) is amended by striking "fiscal year" each place it appears and inserting "biennium".

(2) BIENNium.—Section 3 of such Act (2 U.S.C. 622) is further amended by adding at the end the following new paragraph:

"(11) The term 'biennium' means the period of 2 consecutive fiscal years beginning on October 1 of any odd-numbered year."

(c) BIENNIAL CONCURRENT RESOLUTION ON THE BUDGET.—

(1) CONTENTS OF RESOLUTION.—Section 301(a) of such Act (2 U.S.C. 632(a)) is amended—

(A) in the matter preceding paragraph (1) by—

(i) striking "April 15 of each year" and inserting "May 15 of each odd-numbered year";

(ii) striking "the fiscal year beginning on October 1 of such year" the first place it appears and inserting "the biennium beginning on October 1 of such year"; and

(iii) striking "the fiscal year beginning on October 1 of such year" the second place it appears and inserting "each fiscal year in such period";

(B) in paragraph (6), by striking "for the fiscal year" and inserting "for each fiscal year in the biennium"; and

(C) in paragraph (7), by striking "for the first fiscal year" and inserting "for each fiscal year in the biennium".

(2) ADDITIONAL MATTERS.—Section 301(b)(3) of such Act (2 U.S.C. 632(b)) is amended by striking "for such fiscal year" and inserting "for either fiscal year in such biennium".

(3) VIEWS OF OTHER COMMITTEES.—Section 301(d) of such Act (2 U.S.C. 632(d)) is amended by inserting "(or, if applicable, as provided by section 300(b))" after "United States Code".

(4) HEARINGS.—Section 301(e)(1) of such Act (2 U.S.C. 632(e)) is amended by—

(A) striking "fiscal year" and inserting "biennium"; and

(B) inserting after the second sentence the following: "On or before April 1 of each odd-numbered year (or, if applicable, as provided by section 300(b)), the Committee on the Budget of each House shall report to its House the concurrent resolution on the budget referred to in subsection (a) for the biennium beginning on October 1 of that year."

(5) GOALS FOR REDUCING UNEMPLOYMENT.—Section 301(f) of such Act (2 U.S.C. 632(f)) is amended by striking "fiscal year" each place it appears and inserting "biennium".

(6) ECONOMIC ASSUMPTIONS.—Section 301(g)(1) of such Act (2 U.S.C. 632(g)(1)) is amended by striking "for a fiscal year" and inserting "for a biennium".

(7) SECTION HEADING.—The section heading of section 301 of such Act is amended by striking "ANNUAL" and inserting "BIENNIAL".

(8) TABLE OF CONTENTS.—The item relating to section 301 in the table of contents set forth in section 1(b) of such Act is amended by striking "Annual" and inserting "Biennial".

(d) COMMITTEE ALLOCATIONS.—Section 302 is amended—

(1) in subsection (a)(1) by striking "for the first fiscal year of the resolution," and inserting "for each fiscal year in the biennium, for at least each of 4 ensuing fiscal years";

(2) in subsection (f)(1), by striking "for a fiscal year" and inserting "for a biennium";

(3) in subsection (f)(1), by striking "first fiscal year" and inserting "each fiscal year of the biennium";

(4) in subsection (f)(2)(A), by striking "first fiscal year" and inserting "each fiscal year of the biennium"; and

(5) in subsection (g)(1)(A), by striking "April" and inserting "May".

(e) SECTION 303 POINT OF ORDER.—

(1) IN GENERAL.—Section 303(a) of such Act (2 U.S.C. 634(a)) is amended by striking “first fiscal year” and inserting “each fiscal year of the biennium”.

(2) EXCEPTIONS IN THE HOUSE.—Section 303(b)(1) of such Act (2 U.S.C. 634(b)) is amended—

(A) in subparagraph (A), by striking “the budget year” and inserting “the biennium”; and

(B) in subparagraph (B), by striking “the fiscal year” and inserting “the biennium”.

(3) APPLICATION TO THE SENATE.—Section 303(c)(1) of such Act (2 U.S.C. 634(c)) is amended by—

(A) striking “fiscal year” and inserting “biennium”; and

(B) striking “that year” and inserting “each fiscal year of that biennium”.

(f) PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS ON THE BUDGET.—Section 304(a) of such Act (2 U.S.C. 635) is amended—

(1) by striking “fiscal year” the first two places it appears and inserting “biennium”; and

(2) by striking “for such fiscal year”; and

(3) by inserting before the period “for such biennium”.

(g) PROCEDURES FOR CONSIDERATION OF BUDGET RESOLUTIONS.—Section 305(a)(3) of such Act (2 U.S.C. 636(b)(3)) is amended by striking “fiscal year” and inserting “biennium”.

(h) COMPLETION OF HOUSE ACTION ON APPROPRIATION BILLS.—Section 307 of such Act (2 U.S.C. 638) is amended—

(1) by striking “each year” and inserting “each odd-numbered year”; and

(2) by striking “annual” and inserting “biennial”;

(3) by striking “fiscal year” and inserting “biennium”; and

(4) by striking “that year” and inserting “each odd-numbered year”.

(i) COMPLETION OF ACTION ON REGULAR APPROPRIATION BILLS.—Section 309 of such Act (2 U.S.C. 640) is amended—

(1) by inserting “of any odd-numbered calendar year” after “July”; and

(2) by striking “annual” and inserting “biennial”; and

(3) by striking “fiscal year” and inserting “biennium”.

(j) RECONCILIATION PROCESS.—Section 310(a) of such Act (2 U.S.C. 641(a)) is amended—

(1) in the matter preceding paragraph (1), by striking “any fiscal year” and inserting “any biennium”; and

(2) in paragraph (1) by striking “such fiscal year” each place it appears and inserting “any fiscal year covered by such resolution”.

(k) SECTION 311 POINT OF ORDER.—

(1) IN THE HOUSE.—Section 311(a)(1) of such Act (2 U.S.C. 642(a)) is amended—

(A) by striking “for a fiscal year” and inserting “for a biennium”; and

(B) by striking “the first fiscal year” each place it appears and inserting “either fiscal year of the biennium”; and

(C) by striking “that first fiscal year” and inserting “each fiscal year in the biennium”.

(2) IN THE SENATE.—Section 311(a)(2) of such Act is amended—

(A) by striking “for the first fiscal year” and inserting “for either fiscal year of the biennium”; and

(B) by striking “that first fiscal year” each place it appears and inserting “each fiscal year in the biennium”.

(3) SOCIAL SECURITY LEVELS.—Section 311(a)(3) of such Act is amended by—

(A) striking “for the first fiscal year” and inserting “each fiscal year in the biennium”; and

(B) striking “that fiscal year” and inserting “each fiscal year in the biennium”.

(l) MDA POINT OF ORDER.—Section 312(c) of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended—

(1) by striking “for a fiscal year” and inserting “for a biennium”; and

(2) in paragraph (1), by striking “first fiscal year” and inserting “either fiscal year in the biennium”; and

(3) in paragraph (2), by striking “that fiscal year” and inserting “either fiscal year in the biennium”; and

(4) in the matter following paragraph (2), by striking “that fiscal year” and inserting “the applicable fiscal year”.

#### SEC. 4. PAY-AS-YOU-GO IN THE SENATE.

Subparagraphs (A), (B), and (C) of section 202(b)(2) of House Concurrent Resolution 67 (104th Congress) are amended to read as follows:

“(A) The period of the biennium covered by the most recently adopted concurrent resolution on the budget.

“(B) The period of the first six fiscal years covered by the most recently adopted concurrent resolution on the budget.

“(C) The period of the four fiscal years following the first six fiscal years covered by the most recently adopted concurrent resolution on the budget.”

#### SEC. 5. AMENDMENTS TO TITLE 31, UNITED STATES CODE.

(a) DEFINITION.—Section 1101 of title 31, United States Code, is amended by adding at the end thereof the following new paragraph:

“(3) ‘biennium’ has the meaning given to such term in paragraph (11) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(1)).”

(b) BUDGET CONTENTS AND SUBMISSION TO THE CONGRESS.—

(1) SCHEDULE.—The matter preceding paragraph (1) in section 1105(a) of title 31, United States Code, is amended to read as follows:

“(a) On or before the first Monday in February of each odd-numbered year (or, if applicable, as provided by section 300(b) of the Congressional Budget Act of 1974), beginning with the One Hundred Seventh Congress, the President shall transmit to the Congress, the budget for the biennium beginning on October 1 of such calendar year. The budget transmitted under this subsection shall include a budget message and summary and supporting information. The President shall include in each budget the following:”

(2) EXPENDITURES.—Section 1105(a)(5) of title 31, United States Code, is amended by striking “the fiscal year for which the budget is submitted and the 4 fiscal years after that year” and inserting “each fiscal year in the biennium for which the budget is submitted and in the succeeding 4 years”.

(3) RECEIPTS.—Section 1105(a)(6) of title 31, United States Code, is amended by striking “the fiscal year for which the budget is submitted and the 4 fiscal years after that year” and inserting “each fiscal year in the biennium for which the budget is submitted and in the succeeding 4 years”.

(4) BALANCE STATEMENTS.—Section 1105(a)(9)(C) of title 31, United States Code, is amended by striking “the fiscal year” and inserting “each fiscal year in the biennium”.

(5) FUNCTIONS AND ACTIVITIES.—Section 1105(a)(12) of title 31, United States Code, is amended—

(A) in subparagraph (A), by striking “the fiscal year” and inserting “each fiscal year in the biennium”; and

(6) ALLOWANCES.—Section 1105(a)(13) of title 31, United States Code, is amended by striking “the fiscal year” and inserting “each fiscal year in the biennium”.

(7) ALLOWANCES FOR UNCONTROLLED EXPENDITURES.—Section 1105(a)(14) of title 31, United States Code, is amended by striking “that year” and inserting “each fiscal year

in the biennium for which the budget is submitted”.

(8) TAX EXPENDITURES.—Section 1105(a)(16) of title 31, United States Code, is amended by striking “the fiscal year” and inserting “each fiscal year in the biennium”.

(9) FUTURE YEARS.—Section 1105(a)(17) of title 31, United States Code, is amended—

(A) by striking “the fiscal year following the fiscal year” and inserting “each fiscal year in the biennium following the biennium”; and

(B) by striking “that following fiscal year” and inserting “each such fiscal year”; and

(C) by striking “fiscal year before the fiscal year” and inserting “biennium before the biennium”.

(10) PRIOR YEAR OUTLAYS.—Section 1105(a)(18) of title 31, United States Code, is amended—

(A) by striking “the prior fiscal year” and inserting “each of the 2 most recently completed fiscal years”; and

(B) by striking “for that year” and inserting “with respect to those fiscal years”; and

(C) by striking “in that year” and inserting “in those fiscal years”.

(11) PRIOR YEAR RECEIPTS.—Section 1105(a)(19) of title 31, United States Code, is amended—

(A) by striking “the prior fiscal year” and inserting “each of the 2 most recently completed fiscal years”; and

(B) by striking “for that year” and inserting “with respect to those fiscal years”; and

(C) by striking “in that year” each place it appears and inserting “in those fiscal years”.

(c) ESTIMATED EXPENDITURES OF LEGISLATIVE AND JUDICIAL BRANCHES.—Section 1105(b) of title 31, United States Code, is amended by striking “each year” and inserting “each even-numbered year”.

(d) RECOMMENDATIONS TO MEET ESTIMATED DEFICIENCIES.—Section 1105(c) of title 31, United States Code, is amended—

(1) by striking “the fiscal year for” the first place it appears and inserting “each fiscal year in the biennium for”; and

(2) by striking “the fiscal year for” the second place it appears and inserting “each fiscal year of the biennium, as the case may be”; and

(3) by striking “that year” and inserting “for each year of the biennium”.

(e) CAPITAL INVESTMENT ANALYSIS.—Section 1105(e)(1) of title 31, United States Code, is amended by striking “ensuing fiscal year” and inserting “biennium to which such budget relates”.

(f) SUPPLEMENTAL BUDGET ESTIMATES AND CHANGES.—

(1) IN GENERAL.—Section 1106(a) of title 31, United States Code, is amended—

(A) in the matter preceding paragraph (1), by—

(i) striking “Before July 16 of each year,” and inserting “Before February 15 of each even numbered year”; and

(ii) striking “fiscal year” and inserting “biennium”; and

(B) in paragraph (1), by striking “that fiscal year” and inserting “each fiscal year in such biennium”; and

(C) in paragraph (2), by striking “4 fiscal years following the fiscal year” and inserting “4 fiscal years following the biennium”; and

(D) in paragraph (3), by striking “fiscal year” and inserting “biennium”.

(2) CHANGES.—Section 1106(b) of title 31, United States Code, is amended by—

(A) striking “the fiscal year” and inserting “each fiscal year in the biennium”; and

(B) striking “April 11 and July 16 of each year” and inserting “February 15 of each even-numbered year”; and

(C) striking “July 16” and inserting “February 15 of each even-numbered year”.



(g) CURRENT PROGRAMS AND ACTIVITIES ESTIMATES.—

(1) IN GENERAL.—Section 1109(a) of title 31, United States Code, is amended—

(A) by striking “On or before the first Monday after January 3 of each year (on or before February 5 in 1986)” and inserting “At the same time the budget required by section 1105 is submitted for a biennium”; and

(B) by striking “the following fiscal year” and inserting “each fiscal year of such period”.

(2) JOINT ECONOMIC COMMITTEE.—Section 1109(b) of title 31, United States Code, is amended by striking “March 1 of each year” and inserting “within 6 weeks of the President’s budget submission for each odd-numbered year (or, if applicable, as provided by section 300(b) of the Congressional Budget Act of 1974)”.

(h) YEAR-AHEAD REQUESTS FOR AUTHORIZING LEGISLATION.—Section 1110 of title 31, United States Code, is amended by—

(1) striking “May 16” and inserting “March 31”; and

(2) striking “year before the year in which the fiscal year begins” and inserting “calendar year preceding the calendar year in which the biennium begins”.

#### SEC. 6. TWO-YEAR APPROPRIATIONS; TITLE AND STYLE OF APPROPRIATIONS ACTS.

Section 105 of title 1, United States Code, is amended to read as follows:

##### “§ 105. Title and style of appropriations Acts

“(a) The style and title of all Acts making appropriations for the support of the Government shall be as follows: ‘An Act making appropriations (here insert the object) for each fiscal year in the biennium of fiscal years (here insert the fiscal years of the biennium)’.

“(b) All Acts making regular appropriations for the support of the Government shall be enacted for a biennium and shall specify the amount of appropriations provided for each fiscal year in such period.

“(c) For purposes of this section, the term ‘biennium’ has the same meaning as in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11)).”.

#### SEC. 7. MULTIYEAR AUTHORIZATIONS.

(a) IN GENERAL.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

##### “AUTHORIZATIONS OF APPROPRIATIONS

“SEC. 316. (a) POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider—

“(1) any bill, joint resolution, amendment, motion, or conference report that authorizes appropriations for a period of less than 2 fiscal years, unless the program, project, or activity for which the appropriations are authorized will require no further appropriations and will be completed or terminated after the appropriations have been expended; and

“(2) in any odd-numbered year, any authorization or revenue bill or joint resolution until Congress completes action on the biennial budget resolution, all regular biennial appropriations bills, and all reconciliation bills.

“(b) APPLICABILITY.—In the Senate, subsection (a) shall not apply to—

“(1) any measure that is privileged for consideration pursuant to a rule or statute;

“(2) any matter considered in Executive Session; or

“(3) an appropriations measure or reconciliation bill.”.

(b) AMENDMENT TO TABLE OF CONTENTS.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by add-

ing after the item relating to section 313 the following new item:

“Sec. 316. Authorizations of appropriations.”.

#### SEC. 8. GOVERNMENT PLANS ON A BIENNIAL BASIS.

(a) STRATEGIC PLANS.—Section 306 of title 5, United States Code, is amended—

(1) in subsection (a), by striking “September 30, 1997” and inserting “September 30, 2000”; and

(2) in subsection (b)—

(A) by striking “at least every three years” and inserting “at least every 4 years”; and

(B) by striking “five years forward” and inserting “six years forward”; and

(3) in subsection (c), by inserting a comma after “section” the second place it appears and adding “including a strategic plan submitted by September 30, 1997 meeting the requirements of subsection (a)”.

(b) BUDGET CONTENTS AND SUBMISSION TO CONGRESS.—Paragraph (28) of section 1105(a) of title 31, United States Code, is amended by striking “beginning with fiscal year 1999, a” and inserting “beginning with fiscal year 2002, a biennial”.

(c) PERFORMANCE PLANS.—Section 1115 of title 31, United States Code, is amended—

(1) in subsection (a)—

(A) in the matter before paragraph (1)—

(i) by striking “section 1105(a)(29)” and inserting “section 1105(a)(28)”;

(ii) by striking “an annual” and inserting “a biennial”;

(B) in paragraph (1) by inserting after “program activity” the following: “for both years 1 and 2 of the biennial plan”;

(C) in paragraph (5) by striking “and” after the semicolon,

(D) in paragraph (6) by striking the period and inserting a semicolon; and inserting “and” after the inserted semicolon; and

(E) by adding after paragraph (6) the following:

“(7) cover a 2-year period beginning with the first fiscal year of the next biennial budget cycle.”;

(2) in subsection (d) by striking “annual” and inserting “biennial”; and

(3) in paragraph (6) of subsection (f) by striking “annual” and inserting “biennial”.

(d) MANAGERIAL ACCOUNTABILITY AND FLEXIBILITY.—Section 9703 of title 31, United States Code, relating to managerial accountability, is amended—

(1) in subsection (a)—

(A) in the first sentence by striking “annual”; and

(B) by striking “section 1105(a)(29)” and inserting “section 1105(a)(28)”;

(2) in subsection (e)—

(A) in the first sentence by striking “one or” before “years”; and

(B) in the second sentence by striking “a subsequent year” and inserting “for a subsequent 2-year period”; and

(C) in the third sentence by striking “three” and inserting “four”.

(e) PILOT PROJECTS FOR PERFORMANCE BUDGETING.—Section 1119 of title 31, United States Code, is amended—

(1) in paragraph (1) of subsection (d), by striking “annual” and inserting “biennial”; and

(2) in subsection (e), by striking “annual” and inserting “biennial”.

(f) STRATEGIC PLANS.—Section 2802 of title 39, United States Code, is amended—

(1) in subsection (a), by striking “September 30, 1997” and inserting “September 30, 2000”; and

(2) in subsection (b), by striking “at least every three years” and inserting “at least every 4 years”; and

(3) by striking “five years forward” and inserting “six years forward”; and

(4) in subsection (c), by inserting a comma after “section” the second place it appears and inserting “including a strategic plan submitted by September 30, 1997 meeting the requirements of subsection (a)”.

(g) PERFORMANCE PLANS.—Section 2803(a) of title 39, United States Code, is amended—

(1) in the matter before paragraph (1), by striking “an annual” and inserting “a biennial”;

(2) in paragraph (1), by inserting after “program activity” the following: “for both years 1 and 2 of the biennial plan”;

(3) in paragraph (5), by striking “and” after the semicolon;

(4) in paragraph (6), by striking the period and inserting “; and”; and

(5) by adding after paragraph (6) the following:

“(7) cover a 2-year period beginning with the first fiscal year of the next biennial budget cycle.”.

(h) COMMITTEE VIEWS OF PLANS AND REPORTS.—Section 301(d) of the Congressional Budget Act (2 U.S.C. 632(d)) is amended by adding at the end “Each committee of the Senate or the House of Representatives shall review the strategic plans, performance plans, and performance reports, required under section 306 of title 5, United States Code, and sections 1115 and 1116 of title 31, United States Code, of all agencies under the jurisdiction of the committee. Each committee may provide its views on such plans or reports to the Committee on the Budget of the applicable House.”.

(i) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on March 1, 2000.

(2) AGENCY ACTIONS.—Effective on and after the date of enactment of this Act, each agency shall take such actions as necessary to prepare and submit any plan or report in accordance with the amendments made by this Act.

#### SEC. 9. BIENNIAL APPROPRIATIONS BILLS.

(a) IN GENERAL.—Title III of the Congressional Budget Act of 1974 (2 U.S.C. 631 et seq.) is amended by adding at the end the following:

##### “CONSIDERATION OF BIENNIAL APPROPRIATIONS BILLS

“SEC. 317. It shall not be in order in the House of Representatives or the Senate in any odd-numbered year to consider any regular bill providing new budget authority or a limitation on obligations under the jurisdiction of any of the subcommittees of the Committees on Appropriations for only the first fiscal year of a biennium, unless the program, project, or activity for which the new budget authority or obligation limitation is provided will require no additional authority beyond 1 year and will be completed or terminated after the amount provided has been expended.”.

(b) AMENDMENT TO TABLE OF CONTENTS.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding after the item relating to section 313 the following new item:

“Sec. 317. Consideration of biennial appropriations bills.”.

#### SEC. 10. REPORT ON TWO-YEAR FISCAL PERIOD.

Not later than 180 days after the date of enactment of this Act, the Director of OMB shall—

(1) determine the impact and feasibility of changing the definition of a fiscal year and the budget process based on that definition to a 2-year fiscal period with a biennial budget process based on the 2-year period; and

(2) report the findings of the study to the Committees on the Budget of the House of Representatives and the Senate.

**SEC. 11. EFFECTIVE DATE.**

(a) **IN GENERAL.**—Except as provided in sections 8 and 10 and subsection (b), this Act and the amendments made by this Act shall take effect on January 1, 2001, and shall apply to budget resolutions and appropriations for the biennium beginning with fiscal year 2002.

(b) **AUTHORIZATIONS FOR THE BIENNIUM.**—For purposes of authorizations for the biennium beginning with fiscal year 2002, the provisions of this Act and the amendments made by this Act relating to 2-year authorizations shall take effect January 1, 2000.

**DESCRIPTION OF THE BIENNIAL BUDGETING AND APPROPRIATIONS ACT**

The Domenici bill would convert the annual budget, appropriations, and authorization process to a biennial, or two-year, cycle.

**FIRST YEAR: BUDGET AND APPROPRIATIONS**

Requires the President to submit a two-year budget at the beginning of the first session of a Congress. The President's budget would cover each year in the biennium and planning levels for the four out-years. Converts the "Mid-session Review" into a "Mid-biennium review". The President would submit his "mid-biennium review" at the beginning of the second year.

Requires Congress to adopt a two-year budget resolution and a reconciliation bill (if necessary). Instead of enforcing the first fiscal year and the sum of the five years set out in the budget resolution, the bill provides that the budget resolution establish binding levels for each year in the biennium and the sum of the six-year period. The bill modifies the time frames in the Senate ten-year pay-as-you-go point of order to provide that legislation could not increase the deficit for the biennium, the sum of the first six years, and the sum of the last 4 years.

Requires Congress to enact a two-year appropriations bills during the first session of Congress. Requires Congress to enact 13 appropriations bills covering a two-year period and provides a new majority point of order against appropriations bills that fail to cover two years.

Makes budgeting and appropriating the priority for the first session of a Congress. The bill provides a majority point of order against consideration of authorization and revenue legislation until the completion of the biennial budget resolution, reconciliation legislation (if necessary) and the thirteen biennial appropriations bills. An exception is made for certain "must-do" measures.

**SECOND YEAR: AUTHORIZATION LEGISLATION AND ENHANCED OVERSIGHT**

Devotes the second session of a Congress to consideration of biennial authorization bills and oversight of federal programs. The bill provides a majority point of order against authorization and revenue legislation that cover less than two years except those measures limited to temporary programs or activities lasting less than two years.

Modifies the Government Performance and Results Act of 1993 to incorporate the government performance planning and reporting process into the two-year budget cycle to enhance oversight of federal programs.

The Government Performance and Results Act of 1993 (the Results Act) requires federal agencies to develop strategic plans, performance plans, and performance reports. The law requires agencies to establish performance goals and to report on their actual performance in meeting these goals. The Results Act requires federal agencies to consult with congressional committees as they develop their plans. Beginning in 1997, the law will require all federal agencies to submit their

strategic plans to the Office of Management and Budget, along with their budget submissions, by September 30 of each year. Finally, the Results Act requires the President to include a performance plan for the entire government as part of the budget submission, beginning with the FY 1999 budget.

The Domenici bill modifies the Results Act to place it on a two-year cycle along with the budget process. The bill also requires the authorizing committees to review the strategic plans, performance plans, and performance reports of federal agencies and to submit their views, if any, on these plans and reports as part of their views and estimates submissions to the budget committees.

Mr. THOMAS. Mr. President, I think it is great for us to get started with our work on the floor. We have been working, of course, in organizing our committees, drafting our bills, getting prepared—as a matter of fact, probably earlier than usual, despite the trial that is going on here. So it is good to get started.

I am pleased that our party has also an agenda. We will be talking about Social Security, of course. I think a great many changes need to be made there to ensure that this program continues, not only for those now drawing benefits but for those who will in the future.

We will be talking about education, seeking to get Federal help directly to the classrooms.

We will be talking about strengthening the military, which I think is very important and must be done.

I think tax reduction and tax reform is very high on our list of priorities. Certainly, we will be working on that.

Health care, of course, will be part of what we talk about.

And each of us, in addition to those, will have other issues.

So I rise to talk a moment this morning about biannual budgeting. It is a real pleasure for me to join the chairman of the Budget Committee, Senator DOMENICI, and chairman of the Governmental Affairs Committee, Senator THOMPSON, to introduce a bill that will create a 2-year budgeting appropriations process. We worked long and hard on that issue. I have been working on it for some time, largely because it is my belief that the current budgeting process is broken.

After last year's massive omnibus appropriations bill, which was a debacle, of course, I argue that the budget process needs to be changed. We spend entirely too much time, both in the Congress and in the executive branch, on budget issues.

Since the most recent budget process reform in 1974, Congress has consistently failed to complete action on the budget by the time of the start of the fiscal year and, as a result, have increasingly relied on omnibus measures that come in at the end.

Last year's experience ought to ensure that we do, in fact, need a change. In fact, only 4 of the 13 regular appropriations bills were passed for funding for 10 cabinet-level departments, and the rest was crammed into a 24-hour budget session, which does not work

well. Not a new idea. As a matter of fact, since 1950, Congress has failed on the 13 individual appropriations bills to be funded in every year except 2—only 2 years did we succeed in doing that. We routinely fund unauthorized expenditures and appropriations. The idea is to have an Authorization Committee and an Appropriations Committee. The authorization is made and then it is funded. That has not been the case. We need to change that.

In response to that, I introduced, in the 104th Congress, legislation that would create a biannual budget, and I am very pleased to join in with Senators DOMENICI and THOMPSON in offering this bill this year. This legislation does not eliminate the budgeting process. Each step serves an important role and will continue to do that. However, basically, we would simply be doing it for 2 years rather than 1, having the off year for oversight.

I happen to think that one of the principal obligations of the Congress is oversight of the kinds of programs that have been funded by this Congress. We have not had the opportunity to do that. We have extended debate on appropriations throughout almost the entire year in each year of the 2-year periods. Almost all of us come from States where a 2-year cycle program is used and is successful. It is not a brand new idea and it can be done. I am sure there will be resistance, largely from the appropriators, who rather enjoy the power plays that go on each year through the appropriations process. But I believe in the old saying that "if you expect different results, you have to change the process."

The results we have had are not the kinds of results that most people would like to have. I think that it is high time for us to change the process, and I look forward very much to that.

Mr. THOMAS. Mr. President, it is an honor to once again join the Chairman of the Budget Committee, Senator DOMENICI, and the Chairman of the Government Affairs Committee, Senator THOMPSON in introducing legislation to create a two year budget and appropriations process. We've all worked long and hard on this issue and I am hopeful that we can finally enact this common sense reform this year.

I've been saying for awhile that the current budget process is breaking down. After last year's debacle with the massive omnibus appropriations bill, I'd argue that the budget process is broken. Congress and the executive branch spend entirely too much time on budget issues. Since the most recent budget process reform in 1974, Congress has consistently failed to complete action on the Federal budget before the start of the fiscal year and, as a result, has increasingly relied on omnibus spending measures to fund the Federal Government. Last year's experience should dispel any lingering doubts about whether the current process is broken. In fact, only four of the 13 regular appropriations bills were passed

before funding for 10 Cabinet-level departments was crammed into one bill debated over just a 24 hour period.

The budget resolution, reconciliation bill and appropriations bill continue to become more time-consuming. In the process, authorizing committees are being squeezed out of the schedule. There are too many votes on the same issues and too much duplication. In the end, this time could be better spent conducting vigorous oversight of Federal programs which currently go unchecked.

In response to these problems, in the 104th Congress I introduced legislation that would create a biennial budget process. I am pleased to continue this effort by joining Senator DOMENICI and Senator THOMPSON in offering this bill. It will rectify many of the problems regarding the current process by promoting timely action on budget legislation. In addition, it will eliminate much of the redundancy in the current budget process. This legislation does not eliminate any of the current budget processes—each step serves an important role in congressional deliberations. However, by making decisions once every 2 years instead of annually, the burden should be significantly reduced.

Perhaps most importantly, biennial budgeting will provide more time for effective congressional oversight, which will help reduce the size and scope of the Federal Government. Congress simply needs more time to review existing Federal programs in order to determine priorities in our drive to balance the budget.

Another benefit of a 2 year budget cycle is its effect on long term planning. A biennial budget will allow the executive branch and State and local governments, all of which depend on congressional appropriations, to do a better job making plans for long term projects.

Two year budgets are not a novel idea. Nor will biennial budgeting cure all of the Federal Government's ills. However, separating the budget session from the oversight session works well across the country in our state legislatures.

This legislation is a solid first step toward reforming the congressional budget process. This concept enjoys strong bipartisan support. It is supported by the Clinton administration, Majority Leader LOTT and Minority Leader DASCHLE. In addition, 36 other Senators joined Senators DOMENICI, THOMPSON and I in sending a letter last year to Senate leaders calling for quick action on this bipartisan reform early this year. I am hopeful that effort and this bill will be a catalyst for swift action on this common sense, good government reform.

By Mr. DOMENICI (for himself, Mr. GRASSLEY, Mr. GORTON, Mr. ABRAHAM, Mr. FRIST, Mr. GRAMS, Mr. SMITH of Oregon, Mr. THOMAS, and Mr. KYL):

S. 93. A bill to improve and strengthen the budget process; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

#### BUDGET ENFORCEMENT ACT OF 1999

Mr. DOMENICI. Mr. President, I rise to introduce the Budget Enforcement Act of 1999. The time has come to conform our budget laws and procedures to a new fiscal environment. The Congressional Budget and Impoundment Control Act was enacted 25 years ago. Amendments to the Act, including the Gramm-Rudman-Hollings legislation in 1985, established new enforcement procedures that were further expanded and modified in the 1990 budget agreement. Those laws and procedures have served us well. In combination with a strong economy and robust revenue growth, not only have we balanced the Federal budget, we will shortly produce a surplus even excluding the current balances generated by Social Security program.

Laws and procedures developed over the last 25 years for a fiscal environment of deficits, cannot be appropriate for a fiscal environment of surpluses.

As an example, while the President a year ago in his State of the Union Address pledged to reserve "every penny" of the Social Security surpluses for the reform of that program, he and the Congress did not live up to that pledge last year. In one piece of legislation last fall, we spent \$21.4 billion of these surpluses for so-called "emergencies". Moreover, in order to get appropriations bills signed into law, we relied on innovative financing mechanisms, a charitable characterization, to meet the spending limits. The fact that we will have difficulty meeting these limits in the coming year is not the fault of the limits that we agreed to on a bipartisan basis in 1997, it will be largely due to the reluctance to face the hard choices in appropriations last year.

This is not to say we have not accomplished a great deal in recent years. Since 1994, we curbed the rate of growth in spending through the enactment of legislation such as Freedom to Farm, welfare reform, and the Balanced Budget Act of 1997. While I am very proud that we have stemmed the growth rate in federal spending, we did not balance the budget by actually cutting spending. We did stop the explosive and unsustainable rate of growth in spending that begun in the 1960's with the help of the budget laws and amendments of the past 25 years. But even so, it should be clear that the current balanced budget is largely due to an unexpected growth in federal revenues due to our robust economy.

Beginning in 1990, we enjoyed the peace dividend with the end of the Cold War. The taxpayer did not see a dollar of that dividend. In 1998, we saw the balanced budget dividend, and we should produce a balanced budget divi-

dend excluding the transactions of the Social Security trust fund in the very near future. It is time for the American taxpayer to collect a dividend.

In my view, the current budget process allows us to spend the taxpayer's money more easily than it is to let the American taxpayer keep what he has earned. We will collect more in taxes this year as a percentage of the economy than we have in any year since World War II.

We need to find a way to change our budget process in such a manner to stop the erosion on the spending side, while finding a way to return at least something to the American taxpayer.

Some will argue that we should abandon all of our budget laws and find a way to cut taxes at any cost. Others will demagogue Social Security and hope it can stop any tax relief and fight any changes to tighten controls on spending. We need to find a way to steer the middle course. We should reduce taxes, but in a way that ensures we set aside the entire Social Security surplus for legislation that restores the long-term solvency of this program.

With these objectives in mind, I am introducing today the Budget Enforcement Act of 1999. This bill would:

- (1) streamline the budget process and enhance the oversight of Federal programs;
- (2) curb the abuse of emergency spending;
- (3) set aside and protect the Social Security surplus until we can ensure that Social Security will be there for every generation;
- (4) make way for tax relief that does not tap Social Security surpluses;
- (5) provide that we never again incur a government shutdown because of our failure to enact appropriations.

Title I contains the text of the Biennial Budgeting and Appropriations Act, which I am also introducing as separate legislation today. My remarks on that bill go into some detail on the need for this reform. In my view a biennial appropriations and budget process will streamline the budget process, enhance oversight, and allow Congress to review the budget and federal programs in a more deliberative and efficient manner.

Title II would reform the manner in which we treat emergency spending. In 1990, we devised the current system of caps on appropriated spending and the "pay-as-you-go" requirement for all other legislation. When we were developing these procedures, the distinguished senior Senator from West Virginia, Senator BYRD, had the foresight to recognize that we needed an exception for emergency legislation.

Since President Clinton made his pledge last January that every penny of the surplus should be reserved for Social Security reform, \$27 billion in "emergency" spending has come out of the surplus. We could not find \$1 dollar out of the budget surplus to return to the American taxpayer, but we found \$27 billion of "emergency" spending in

one year to take out of the surplus for a host of programs, many of which are difficult to classify as an emergency.

Senator BYRD was correct in 1990. We need an exception for emergency spending and the bill I introduced today retains that exception. However, this bill says if something is truly an emergency, it should have the support of 60 Senators. Remember, the President said that every penny of the surplus—without exception—should be reserved for Social Security. I feel there should be a means to use a portion of the surplus for emergency spending, but only in extraordinary circumstances. Sixty votes in the Senate is not too much to ask.

Title III modifies the "pay-as-you-go" requirements to make clear that on-budget surpluses can be used to offset the cost of legislation. Current law is vague with respect to the application of the pay-as-you-go procedures when there is an on-budget surplus. Title III modifies the law and the Senate rule to make clear that the surpluses generated by Social Security are not available for tax or direct spending legislation. However, the on-budget surplus, the surplus excluding Social Security, would be available for such legislation.

Title IV contains Senator MCCAIN's legislation, the Government Shutdown Prevention Act, frequently referred to as an automatic continuing resolution (CR). This title provides that agencies will be automatically funded at the lower of the previous year's level or the level proposed by the President.

Title V is designated to end what has been characterized as the "vote-athon" on budget resolutions and reconciliation bills. This title is very similar to an amendment that Senator BYRD offered to the Balanced Budget Act of 1997, which was later dropped during conference.

The manner in which the Senate currently considers budget resolutions and reconciliation bills is demeaning because of two loopholes in the current law regarding the consideration of budget resolutions and reconciliation bills. The first loophole is that the time limitation on budget resolutions and reconciliation bills is for debate only. Senators can continue to offer amendments after the time has expired. This loophole has been exploited in recent years where there is this mad rush in the Senate at the end of the process to vote on amendments—a demeaning process for what is supposed to be the "world's greatest deliberative body." On October 27, 1995, the Senate broke a record by holding 39 consecutive roll call votes on a reconciliation bill, with the first vote beginning at 9:29 in the morning and the last vote ending at 11:59 that night.

The second loophole pertains to sense of the Senate amendments on budget resolutions. In the Senate, amendments to budget resolution must be germane. However, sense of the Senate amendments that are in the Budget

Committee's jurisdiction are considered germane. By adding the words, "the funding levels in this resolution assume that", a Senator can make any sense of the Senate amendment germane. Instead of debating spending, revenue, and debt levels, the Senate now spends most of its time debating non-binding language on budget resolutions. For example, last year's Senate-passed budget resolution contained 65 separate sense of the Senate provisions. Ninety-nine of the 139 pages in that budget resolution were devoted to sense of the Senate provisions, ranging from agricultural trade policy to the Ten Commandments.

Title V makes two basic changes to Senate's procedures for consideration of budget resolutions and reconciliation bills. First, it provides a procedure similar to post-cloture for the consideration of budget resolutions and reconciliation bills. Second, it prohibits the inclusion of sense of the Senate language in budget resolutions and makes any sense of the Senate amendment not germane and subject to a 60 vote point of order under the Budget Act.

Mr. President, I have a more detailed description of this legislation and I ask unanimous consent that it be printed, with the text of the bill, in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

S. 93

*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 "Budget Enforcement Act of 1999".

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

Sec. 1. Short title; table of contents.

#### TITLE I—BIENNIAL BUDGETING AND APPROPRIATIONS

Sec. 101. Short title.

Sec. 102. Revision of timetable.

Sec. 103. Amendments to the Congressional Budget and Impoundment Control Act of 1974.

Sec. 104. Pay-as-you-go in the Senate.

Sec. 105. Amendments to title 31, United States Code.

Sec. 106. Two-year appropriations; title and style of appropriations Acts.

Sec. 107. Multiyear authorizations.

Sec. 108. Government plans on a biennial basis.

Sec. 109. Biennial appropriations bills.

Sec. 110. Report on two-year fiscal period.

Sec. 111. Effective date.

#### TITLE II—EMERGENCY SPENDING REFORMS

Sec. 201. Emergency designation guidance.

#### TITLE III—CLARIFYING CHANGES TO PAY-AS-YOU-GO

Sec. 301. Clarification on the application of section 202 of H. Con. Res. 67.

Sec. 302. Clarification of pay-as-you-go.

Sec. 303. Clarifications regarding extraneous matter.

#### TITLE IV—REFORM OF THE SENATE'S CONSIDERATION OF APPROPRIATIONS BILLS, BUDGET RESOLUTIONS, AND RECONCILIATION BILLS

Sec. 401. Short title.

Sec. 402. Amendment to title 31.

Sec. 403. Effective date and sunset.

#### TITLE V—BUDGET ACT AMENDMENTS REGARDING THE SENATE'S CONSIDERATION OF BUDGET RESOLUTION AND RECONCILIATION BILLS

Sec. 501. Consideration of budget measures in the Senate.

Sec. 502. Definition.

Sec. 503. Conforming the compensation of the director and deputy director of the Congressional Budget Office with other legislative branch support agencies.

#### TITLE I—BIENNIAL BUDGETING AND APPROPRIATIONS

##### SEC. 101. SHORT TITLE.

This title may be cited as the "Biennial Budgeting and Appropriations Act".

##### SEC. 102. REVISION OF TIMETABLE.

Section 300 of the Congressional Budget Act of 1974 (2 U.S.C. 631) is amended to read as follows:

##### "TIMETABLE

"SEC. 300. (a) IN GENERAL.—Except as provided by subsection (b), the timetable with respect to the congressional budget process for any Congress (beginning with the One Hundred Seventh Congress) is as follows:

"First Session	
"On or before:	Action to be completed:
First Monday in February .....	President submits budget recommendations.
February 15 .....	Congressional Budget Office submits report to Budget Committees.
Not later than 6 weeks after budget submission.	Committees submit views and estimates to Budget Committees.
April 1 .....	Budget Committees report concurrent resolution on the biennial budget.
May 15 .....	Congress completes action on concurrent resolution on the biennial budget.
May 15 .....	Biennial appropriation bills may be considered in the House.
June 10 .....	House Appropriations Committee reports last biennial appropriation bill.
June 30 .....	House completes action on biennial appropriation bills.
August 1 .....	Congress completes action on reconciliation legislation.
October 1 .....	Biennium begins.
"Second Session	
"On or before:	Action to be completed:
February 15 .....	President submits budget review.
Not later than 6 weeks after President submits budget review.	Congressional Budget Office submits report to Budget Committees.
The last day of the session ....	Congress completes action on bills and resolutions authorizing new budget authority for the succeeding biennium.

"(b) SPECIAL RULE.—In the case of any first session of Congress that begins in any year immediately following a leap year and during which the term of a President (except a President who succeeds himself) begins, the following dates shall supersede those set forth in subsection (a):

"First Session	
"On or before:	Action to be completed:
First Monday in April .....	President submits budget recommendations.
April 20 .....	Committees submit views and estimates to Budget Committees.
May 15 .....	Budget Committees report concurrent resolution on the biennial budget.
June 1 .....	Congress completes action on concurrent resolution on the biennial budget.
July 1 .....	Biennial appropriation bills may be considered in the House.
July 20 .....	House completes action on biennial appropriation bills.
August 1 .....	Congress completes action on reconciliation legislation.
October 1 .....	Biennium begins."

**SEC. 103. AMENDMENTS TO THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.**

(a) **DECLARATION OF PURPOSE.**—Section 2(2) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 621(2)) is amended by striking "each year" and inserting "biennially".

(b) **DEFINITIONS.**—

(1) **BUDGET RESOLUTION.**—Section 3(4) of such Act (2 U.S.C. 622(4)) is amended by striking "fiscal year" each place it appears and inserting "biennium".

(2) **BIENNIUM.**—Section 3 of such Act (2 U.S.C. 622) is further amended by adding at the end the following new paragraph:

"(1) The term 'biennium' means the period of 2 consecutive fiscal years beginning on October 1 of any odd-numbered year."

(c) **BIENNIAL CONCURRENT RESOLUTION ON THE BUDGET.**—

(1) **CONTENTS OF RESOLUTION.**—Section 301(a) of such Act (2 U.S.C. 632(a)) is amended—

(A) in the matter preceding paragraph (1) by—

(i) striking "April 15 of each year" and inserting "May 15 of each odd-numbered year";

(ii) striking "the fiscal year beginning on October 1 of such year" the first place it appears and inserting "the biennium beginning on October 1 of such year"; and

(iii) striking "the fiscal year beginning on October 1 of such year" the second place it appears and inserting "each fiscal year in such period";

(B) in paragraph (6), by striking "for the fiscal year" and inserting "for each fiscal year in the biennium"; and

(C) in paragraph (7), by striking "for the first fiscal year" and inserting "for each fiscal year in the biennium".

(2) **ADDITIONAL MATTERS.**—Section 301(b)(3) of such Act (2 U.S.C. 632(b)) is amended by striking "for such fiscal year" and inserting "for either fiscal year in such biennium".

(3) **VIEWS OF OTHER COMMITTEES.**—Section 301(d) of such Act (2 U.S.C. 632(d)) is amended by inserting "(or, if applicable, as provided by section 300(b))" after "United States Code".

(4) **HEARINGS.**—Section 301(e)(1) of such Act (2 U.S.C. 632(e)) is amended by—

(A) striking "fiscal year" and inserting "biennium"; and

(B) inserting after the second sentence the following: "On or before April 1 of each odd-numbered year (or, if applicable, as provided by section 300(b)), the Committee on the Budget of each House shall report to its House the concurrent resolution on the budget referred to in subsection (a) for the biennium beginning on October 1 of that year."

(5) **GOALS FOR REDUCING UNEMPLOYMENT.**—Section 301(f) of such Act (2 U.S.C. 632(f)) is amended by striking "fiscal year" each place it appears and inserting "biennium".

(6) **ECONOMIC ASSUMPTIONS.**—Section 301(g)(1) of such Act (2 U.S.C. 632(g)(1)) is amended by striking "for a fiscal year" and inserting "for a biennium".

(7) **SECTION HEADING.**—The section heading of section 301 of such Act is amended by striking "ANNUAL" and inserting "BIENNIAL".

(8) **TABLE OF CONTENTS.**—The item relating to section 301 in the table of contents set forth in section 1(b) of such Act is amended by striking "Annual" and inserting "Biennial".

(d) **COMMITTEE ALLOCATIONS.**—Section 302 is amended—

(1) in subsection (a)(1) by striking "for the first fiscal year of the resolution," and inserting "for each fiscal year in the biennium, for at least each of 4 ensuing fiscal years,";

(2) in subsection (f)(1), by striking "for a fiscal year" and inserting "for a biennium";

(3) in subsection (f)(1), by striking "first fiscal year" and inserting "each fiscal year of the biennium";

(4) in subsection (f)(2)(A), by striking "first fiscal year" and inserting "each fiscal year of the biennium"; and

(5) in subsection (g)(1)(A), by striking "April" and inserting "May".

(e) **SECTION 303 POINT OF ORDER.**—

(1) **IN GENERAL.**—Section 303(a) of such Act (2 U.S.C. 634(a)) is amended by striking "first fiscal year" and inserting "each fiscal year of the biennium".

(2) **EXCEPTIONS IN THE HOUSE.**—Section 303(b)(1) of such Act (2 U.S.C. 634(b)) is amended—

(A) in subparagraph (A), by striking "the budget year" and inserting "the biennium"; and

(B) in subparagraph (B), by striking "the fiscal year" and inserting "the biennium".

(3) **APPLICATION TO THE SENATE.**—Section 303(c)(1) of such Act (2 U.S.C. 634(c)) is amended by—

(A) striking "fiscal year" and inserting "biennium"; and

(B) striking "that year" and inserting "each fiscal year of that biennium".

(f) **PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS ON THE BUDGET.**—Section 304(a) of such Act (2 U.S.C. 635) is amended—

(1) by striking "fiscal year" the first two places it appears and inserting "biennium";

(2) by striking "for such fiscal year"; and

(3) by inserting before the period "for such biennium".

(g) **PROCEDURES FOR CONSIDERATION OF BUDGET RESOLUTIONS.**—Section 305(a)(3) of such Act (2 U.S.C. 636(b)(3)) is amended by striking "fiscal year" and inserting "biennium".

(h) **COMPLETION OF HOUSE ACTION ON APPROPRIATION BILLS.**—Section 307 of such Act (2 U.S.C. 638) is amended—

(1) by striking "each year" and inserting "each odd-numbered year";

(2) by striking "annual" and inserting "biennial";

(3) by striking "fiscal year" and inserting "biennium"; and

(4) by striking "that year" and inserting "each odd-numbered year".

(i) **COMPLETION OF ACTION ON REGULAR APPROPRIATION BILLS.**—Section 309 of such Act (2 U.S.C. 640) is amended—

(1) by inserting "of any odd-numbered calendar year" after "July";

(2) by striking "annual" and inserting "biennial"; and

(3) by striking "fiscal year" and inserting "biennium".

(j) **RECONCILIATION PROCESS.**—Section 310(a) of such Act (2 U.S.C. 641(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "any fiscal year" and inserting "any biennium"; and

(2) in paragraph (1) by striking "such fiscal year" each place it appears and inserting "any fiscal year covered by such resolution".

(k) **SECTION 311 POINT OF ORDER.**—

(1) **IN THE HOUSE.**—Section 311(a)(1) of such Act (2 U.S.C. 642(a)) is amended—

(A) by striking "for a fiscal year" and inserting "for a biennium";

(B) by striking "the first fiscal year" each place it appears and inserting "either fiscal year of the biennium"; and

(C) by striking "that first fiscal year" and inserting "each fiscal year in the biennium".

(2) **IN THE SENATE.**—Section 311(a)(2) of such Act is amended—

(A) by striking "for the first fiscal year" and inserting "for either fiscal year of the biennium"; and

(B) by striking "that first fiscal year" each place it appears and inserting "each fiscal year in the biennium".

(3) **SOCIAL SECURITY LEVELS.**—Section 311(a)(3) of such Act is amended by—

(A) striking "for the first fiscal year" and inserting "each fiscal year in the biennium"; and

(B) striking "that fiscal year" and inserting "each fiscal year in the biennium".

(l) **MDA POINT OF ORDER.**—Section 312(c) of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended—

(1) by striking "for a fiscal year" and inserting "for a biennium";

(2) in paragraph (1), by striking "first fiscal year" and inserting "either fiscal year in the biennium";

(3) in paragraph (2), by striking "that fiscal year" and inserting "either fiscal year in the biennium"; and

(4) in the matter following paragraph (2), by striking "that fiscal year" and inserting "the applicable fiscal year".

**SEC. 104. PAY-AS-YOU-GO IN THE SENATE.**

Subparagraphs (A), (B), and (C) of section 202(b)(2) of House Concurrent Resolution 67 (104th Congress) are amended to read as follows:

"(A) The period of the biennium covered by the most recently adopted concurrent resolution on the budget.

"(B) The period of the first six fiscal years covered by the most recently adopted concurrent resolution on the budget.

"(C) The period of the four fiscal years following the first six fiscal years covered by the most recently adopted concurrent resolution on the budget."

**SEC. 105. AMENDMENTS TO TITLE 31, UNITED STATES CODE.**

(a) **DEFINITION.**—Section 1101 of title 31, United States Code, is amended by adding at the end thereof the following new paragraph:

"(3) 'biennium' has the meaning given to such term in paragraph (11) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11))."

(b) **BUDGET CONTENTS AND SUBMISSION TO THE CONGRESS.**—

(1) **SCHEDULE.**—The matter preceding paragraph (1) in section 1105(a) of title 31, United States Code, is amended to read as follows:

"(a) On or before the first Monday in February of each odd-numbered year (or, if applicable, as provided by section 300(b) of the Congressional Budget Act of 1974), beginning with the One Hundred Seventh Congress, the President shall transmit to the Congress, the budget for the biennium beginning on October 1 of such calendar year. The budget transmitted under this subsection shall include a budget message and summary and supporting information. The President shall include in each budget the following:"

(2) **EXPENDITURES.**—Section 1105(a)(5) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting "each fiscal year in the biennium for which the budget is submitted and in the succeeding 4 years".

(3) **RECEIPTS.**—Section 1105(a)(6) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting "each fiscal year in the biennium for which the budget is submitted and in the succeeding 4 years".

(4) **BALANCE STATEMENTS.**—Section 1105(a)(9)(C) of title 31, United States Code, is amended by striking "the fiscal year" and inserting "each fiscal year in the biennium".

(5) **FUNCTIONS AND ACTIVITIES.**—Section 1105(a)(12) of title 31, United States Code, is amended—

(A) in subparagraph (A), by striking "the fiscal year" and inserting "each fiscal year in the biennium"; and

(6) **ALLOWANCES.**—Section 1105(a)(13) of title 31, United States Code, is amended by

striking "the fiscal year" and inserting "each fiscal year in the biennium".

(7) ALLOWANCES FOR UNCONTROLLED EXPENDITURES.—Section 1105(a)(14) of title 31, United States Code, is amended by striking "that year" and inserting "each fiscal year in the biennium for which the budget is submitted".

(8) TAX EXPENDITURES.—Section 1105(a)(16) of title 31, United States Code, is amended by striking "the fiscal year" and inserting "each fiscal year in the biennium".

(9) FUTURE YEARS.—Section 1105(a)(17) of title 31, United States Code, is amended—

(A) by striking "the fiscal year following the fiscal year" and inserting "each fiscal year in the biennium following the biennium";

(B) by striking "that following fiscal year" and inserting "each such fiscal year"; and

(C) by striking "fiscal year before the fiscal year" and inserting "biennium before the biennium".

(10) PRIOR YEAR OUTLAYS.—Section 1105(a)(18) of title 31, United States Code, is amended—

(A) by striking "the prior fiscal year" and inserting "each of the 2 most recently completed fiscal years";

(B) by striking "for that year" and inserting "with respect to those fiscal years"; and

(C) by striking "in that year" and inserting "in those fiscal years".

(11) PRIOR YEAR RECEIPTS.—Section 1105(a)(19) of title 31, United States Code, is amended—

(A) by striking "the prior fiscal year" and inserting "each of the 2 most recently completed fiscal years";

(B) by striking "for that year" and inserting "with respect to those fiscal years"; and

(C) by striking "in that year" each place it appears and inserting "in those fiscal years".

(c) ESTIMATED EXPENDITURES OF LEGISLATIVE AND JUDICIAL BRANCHES.—Section 1105(b) of title 31, United States Code, is amended by striking "each year" and inserting "each even-numbered year".

(d) RECOMMENDATIONS TO MEET ESTIMATED DEFICIENCIES.—Section 1105(c) of title 31, United States Code, is amended—

(1) by striking "the fiscal year for" the first place it appears and inserting "each fiscal year in the biennium for";

(2) by striking "the fiscal year for" the second place it appears and inserting "each fiscal year of the biennium, as the case may be"; and

(3) by striking "that year" and inserting "for each year of the biennium".

(e) CAPITAL INVESTMENT ANALYSIS.—Section 1105(e)(1) of title 31, United States Code, is amended by striking "ensuing fiscal year" and inserting "biennium to which such budget relates".

(f) SUPPLEMENTAL BUDGET ESTIMATES AND CHANGES.—

(1) IN GENERAL.—Section 1106(a) of title 31, United States Code, is amended—

(A) in the matter preceding paragraph (1), by—

(i) striking "Before July 16 of each year," and inserting "Before February 15 of each even numbered year,"; and

(ii) striking "fiscal year" and inserting "biennium";

(B) in paragraph (1), by striking "that fiscal year" and inserting "each fiscal year in such biennium";

(C) in paragraph (2), by striking "4 fiscal years following the fiscal year" and inserting "4 fiscal years following the biennium"; and

(D) in paragraph (3), by striking "fiscal year" and inserting "biennium".

(2) CHANGES.—Section 1106(b) of title 31, United States Code, is amended by—

(A) striking "the fiscal year" and inserting "each fiscal year in the biennium";

(B) striking "April 11 and July 16 of each year" and inserting "February 15 of each even-numbered year"; and

(C) striking "July 16" and inserting "February 15 of each even-numbered year".

(g) CURRENT PROGRAMS AND ACTIVITIES ESTIMATES.—

(1) IN GENERAL.—Section 1109(a) of title 31, United States Code, is amended—

(A) by striking "On or before the first Monday after January 3 of each year (on or before February 5 in 1986)" and inserting "At the same time the budget required by section 1105 is submitted for a biennium"; and

(B) by striking "the following fiscal year" and inserting "each fiscal year of such period".

(2) JOINT ECONOMIC COMMITTEE.—Section 1109(b) of title 31, United States Code, is amended by striking "March 1 of each year" and inserting "within 6 weeks of the President's budget submission for each odd-numbered year (or, if applicable, as provided by section 300(b) of the Congressional Budget Act of 1974)".

(h) YEAR-AHEAD REQUESTS FOR AUTHORIZING LEGISLATION.—Section 1110 of title 31, United States Code, is amended by—

(1) striking "May 16" and inserting "March 31"; and

(2) striking "year before the year in which the fiscal year begins" and inserting "calendar year preceding the calendar year in which the biennium begins".

#### SEC. 106. TWO-YEAR APPROPRIATIONS; TITLE AND STYLE OF APPROPRIATIONS ACTS.

Section 105 of title 1, United States Code, is amended to read as follows:

##### "§ 105. Title and style of appropriations Acts

"(a) The style and title of all Acts making appropriations for the support of the Government shall be as follows: 'An Act making appropriations (here insert the object) for each fiscal year in the biennium of fiscal years (here insert the fiscal years of the biennium)'."

"(b) All Acts making regular appropriations for the support of the Government shall be enacted for a biennium and shall specify the amount of appropriations provided for each fiscal year in such period.

"(c) For purposes of this section, the term 'biennium' has the same meaning as in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11))."

#### SEC. 107. MULTIYEAR AUTHORIZATIONS.

(a) IN GENERAL.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following:

##### "AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 316. (a) POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider—

"(1) any bill, joint resolution, amendment, motion, or conference report that authorizes appropriations for a period of less than 2 fiscal years, unless the program, project, or activity for which the appropriations are authorized will require no further appropriations and will be completed or terminated after the appropriations have been expended; and

"(2) in any odd-numbered year, any authorization or revenue bill or joint resolution until Congress completes action on the biennial budget resolution, all regular biennial appropriations bills, and all reconciliation bills.

"(b) APPLICABILITY.—In the Senate, subsection (a) shall not apply to—

"(1) any measure that is privileged for consideration pursuant to a rule or statute;

"(2) any matter considered in Executive Session; or

"(3) an appropriations measure or reconciliation bill."

(b) AMENDMENT TO TABLE OF CONTENTS.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding after the item relating to section 313 the following new item:

"Sec. 316. Authorizations of appropriations."

#### SEC. 108. GOVERNMENT PLANS ON A BIENNIAL BASIS.

(a) STRATEGIC PLANS.—Section 306 of title 5, United States Code, is amended—

(1) in subsection (a), by striking "September 30, 1997" and inserting "September 30, 2000";

(2) in subsection (b)—

(A) by striking "at least every three years" and inserting "at least every 4 years"; and

(B) by striking "five years forward" and inserting "six years forward"; and

(3) in subsection (c), by inserting a comma after "section" the second place it appears and adding "including a strategic plan submitted by September 30, 1997 meeting the requirements of subsection (a)".

(b) BUDGET CONTENTS AND SUBMISSION TO CONGRESS.—Paragraph (28) of section 1105(a) of title 31, United States Code, is amended by striking "beginning with fiscal year 1999, a" and inserting "beginning with fiscal year 2002, a biennial".

(c) PERFORMANCE PLANS.—Section 1115 of title 31, United States Code, is amended—

(1) in subsection (a)—

(A) in the matter before paragraph (1)—

(i) by striking "section 1105(a)(29)" and inserting "section 1105(a)(28)"; and

(ii) by striking "an annual" and inserting "a biennial";

(B) in paragraph (1) by inserting after "program activity" the following: "for both years 1 and 2 of the biennial plan";

(C) in paragraph (5) by striking "and" after the semicolon,

(D) in paragraph (6) by striking the period and inserting a semicolon; and inserting "and" after the inserted semicolon; and

(E) by adding after paragraph (6) the following:

"(7) cover a 2-year period beginning with the first fiscal year of the next biennial budget cycle.";

(2) in subsection (d) by striking "annual" and inserting "biennial"; and

(3) in paragraph (6) of subsection (f) by striking "annual" and inserting "biennial".

(d) MANAGERIAL ACCOUNTABILITY AND FLEXIBILITY.—Section 9703 of title 31, United States Code, relating to managerial accountability, is amended—

(1) in subsection (a)—

(A) in the first sentence by striking "annual"; and

(B) by striking "section 1105(a)(29)" and inserting "section 1105(a)(28)";

(2) in subsection (e)—

(A) in the first sentence by striking "one or" before "years";

(B) in the second sentence by striking "a subsequent year" and inserting "for a subsequent 2-year period"; and

(C) in the third sentence by striking "three" and inserting "four".

(e) PILOT PROJECTS FOR PERFORMANCE BUDGETING.—Section 1119 of title 31, United States Code, is amended—

(1) in paragraph (1) of subsection (d), by striking "annual" and inserting "biennial"; and

(2) in subsection (e), by striking "annual" and inserting "biennial".

(f) STRATEGIC PLANS.—Section 2802 of title 39, United States Code, is amended—



(1) is subsection (a), by striking "September 30, 1997" and inserting "September 30, 2000";

(2) in subsection (b), by striking "at least every three years" and inserting "at least every 4 years";

(3) by striking "five years forward" and inserting "six years forward"; and

(4) in subsection (c), by inserting a comma after "section" the second place it appears and inserting "including a strategic plan submitted by September 30, 1997 meeting the requirements of subsection (a)".

(g) PERFORMANCE PLANS.—Section 2803(a) of title 39, United States Code, is amended—

(1) in the matter before paragraph (1), by striking "an annual" and inserting "a biennial";

(2) in paragraph (1), by inserting after "program activity" the following: "for both years 1 and 2 of the biennial plan";

(3) in paragraph (5), by striking "and" after the semicolon;

(4) in paragraph (6), by striking the period and inserting "; and"; and

(5) by adding after paragraph (6) the following:

"(7) cover a 2-year period beginning with the first fiscal year of the next biennial budget cycle.".

(h) COMMITTEE VIEWS OF PLANS AND REPORTS.—Section 301(d) of the Congressional Budget Act of 1974 (2 U.S.C. 632(d)) is amended by adding at the end "Each committee of the Senate or the House of Representatives shall review the strategic plans, performance plans, and performance reports, required under section 306 of title 5, United States Code, and sections 1115 and 1116 of title 31, United States Code, of all agencies under the jurisdiction of the committee. Each committee may provide its views on such plans or reports to the Committee on the Budget of the applicable House.".

(i) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on March 1, 2000.

(2) AGENCY ACTIONS.—Effective on and after the date of enactment of this title, each agency shall take such actions as necessary to prepare and submit any plan or report in accordance with the amendments made by this title.

#### SEC. 109. BIENNIAL APPROPRIATIONS BILLS.

(a) IN GENERAL.—Title III of the Congressional Budget Act of 1974 (2 U.S.C. 631 et seq.) is amended by adding at the end the following:

"CONSIDERATION OF BIENNIAL APPROPRIATIONS BILLS

"SEC. 317. It shall not be in order in the House of Representatives or the Senate in any odd-numbered year to consider any regular bill providing new budget authority or a limitation on obligations under the jurisdiction of any of the subcommittees of the Committees on Appropriations for only the first fiscal year of a biennium, unless the program, project, or activity for which the new budget authority or obligation limitation is provided will require no additional authority beyond 1 year and will be completed or terminated after the amount provided has been expended.".

(b) AMENDMENT TO TABLE OF CONTENTS.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding after the item relating to section 313 the following new item:

"Sec. 317. Consideration of biennial appropriations bills.".

#### SEC. 110. REPORT ON TWO-YEAR FISCAL PERIOD.

Not later than 180 days after the date of enactment of this title, the Director of OMB shall—

(1) determine the impact and feasibility of changing the definition of a fiscal year and the budget process based on that definition to a 2-year fiscal period with a biennial budget process based on the 2-year period; and

(2) report the findings of the study to the Committees on the Budget of the House of Representatives and the Senate.

#### SEC. 111. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in sections 108 and 110 and subsection (b), this title and the amendments made by this title shall take effect on January 1, 2001, and shall apply to budget resolutions and appropriations for the biennium beginning with fiscal year 2002.

(b) AUTHORIZATIONS FOR THE BIENNium.—For purposes of authorizations for the biennium beginning with fiscal year 2002, the provisions of this title and the amendments made by this title relating to 2-year authorizations shall take effect January 1, 2000.

### TITLE II—EMERGENCY SPENDING REFORMS

#### SEC. 201. EMERGENCY DESIGNATION GUIDANCE.

The Congressional Budget Act of 1974 is amended—

(1) by adding the following new section at the end of title III:

#### "SEC. 318. EMERGENCY LEGISLATION.

"(a) DESIGNATIONS.—

"(1) GUIDANCE.—In making a designation of a provision of legislation as an emergency requirement under section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985—

"(A) the President shall submit a message to the Congress analyzing whether a proposed emergency requirement meets all the criteria in paragraph (2); and

"(B) the committee report, if any, accompanying that legislation shall analyze whether a proposed emergency requirement meets all the criteria in paragraph (2).

"(2) CRITERIA.—

"(A) IN GENERAL.—A proposed expenditure or tax change is an emergency requirement if it is—

"(i) necessary, essential, or vital (not merely useful or beneficial);

"(ii) sudden, quickly coming into being, and not building up over time;

"(iii) an urgent, pressing, and compelling need requiring immediate action;

"(iv) subject to subparagraph (B), unforeseen, unpredictable, and unanticipated; and

"(v) not permanent, temporary in nature.

"(B) UNFORESEEN.—An emergency that is part of an aggregate level of anticipated emergencies, particularly when normally estimated in advance, is not unforeseen.

"(3) JUSTIFICATION FOR FAILURE TO MEET CRITERIA.—If the proposed emergency requirement does not meet all the criteria set forth in paragraph (2), the President or the committee report, as the case may be, shall provide a written justification of why the requirement is an emergency.

"(b) POINT OF ORDER.—

"(1) IN GENERAL.—When the Senate is considering a bill, resolution, amendment, motion, or conference report, upon a point of order being made by a Senator against any provision in that measure designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 and the Presiding Officer sustains that point of order, that provision along with the language making the designation shall be stricken from the measure and may not be offered as an amendment from the floor.

"(2) EMERGENCY LEGISLATION.—When the Senate is considering an emergency supplemental appropriations bill, an amendment thereto, a motion thereto, or a conference report therefrom, upon a point of order being

made by a Senator against any provision in that measure that is not designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 and the Presiding Officer sustains that point of order, that provision shall be stricken from the measure and may not be offered as an amendment from the floor.

"(3) CONFERENCE REPORTS.—A point of order sustained under this subsection against a conference report shall be disposed of as provided in section 313(d).

"(c) DEFINITION.—For the purposes of this section, an emergency supplemental appropriations bill is a bill or joint resolution that—

"(1) includes a provision designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985;

"(2) includes in the long title or short title of that bill or joint resolution any of the following words: emergency, urgent, or disaster; and

"(3) appropriates funds in addition to those enacted in the regular appropriations Act for that year as defined in section 1311 of title 31, United States Code.".

(2) in subsections (c)(2) and (d)(2) of section 904, by striking "and 312(c)" and inserting "312(c), and 316"; and

(3) in the table of contents in section 1(a), by adding after the item for section 317 the following:

"318. Emergency legislation.".

### TITLE III—CLARIFYING CHANGES TO PAY-AS-YOU-GO

#### SEC. 301. CLARIFICATION ON THE APPLICATION OF SECTION 202 OF H. CON. RES. 67.

Section 202(b) of H. Con. Res. 67 (104th Congress) is amended—

(1) in paragraph (1), by striking "the deficit" and inserting "the on-budget deficit or cause an on-budget deficit"; and

(2) in paragraph (6), by—

(A) striking "increases the deficit" and inserting "increases the on-budget deficit or causes an on-budget deficit"; and

(B) striking "increase the deficit" and inserting "increase the on-budget deficit or cause an on-budget deficit".

#### SEC. 302. CLARIFICATION OF PAY-AS-YOU-GO.

(a) IN GENERAL.—Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in subsection (a), by striking "the deficit" and inserting "the on-budget deficit or causes an on-budget deficit";

(2) in subsection (b)(2)—

(A) in subparagraph (B), by striking "and" and inserting a semicolon;

(B) in subparagraph (C), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(D) the estimate of the on-budget surplus for the budget year determined under section 254(c)(3)(D).".

(b) BASELINE.—Section 254(c)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new subparagraph:

"(D) The estimated excess of on-budget receipts over on-budget outlays for the budget year assuming compliance with the discretionary spending limits and that the full adjustments are made under subparagraphs (C), (E), and (F) of section 251(b)(2).".

#### SEC. 303. CLARIFICATIONS REGARDING EXTRA-NEOUS MATTER.

Section 313(b)(1)(E) of the Congressional Budget Act of 1974 is amended by striking "such year;" and inserting "such year or such increases or decreases, when taken with other provisions in such bill, would cause an on-budget deficit in such year;".

# **TITLE IV—REFORM OF THE SENATE'S CONSIDERATION OF APPROPRIATIONS BILLS, BUDGET RESOLUTIONS, AND RECONCILIATION BILLS**

## **SEC. 401. SHORT TITLE.**

This title may be cited as the "Government Shutdown Prevention Act".

## **SEC. 402. AMENDMENT TO TITLE 31.**

(a) IN GENERAL.—Chapter 13 of title 31, United States Code, is amended by inserting after section 1310 the following new section:

### **"§ 1311. Continuing appropriations**

"(a)(1) If any regular appropriation bill for a fiscal year does not become law prior to the beginning of such fiscal year or a joint resolution making continuing appropriations is not in effect, there is appropriated, out of any moneys in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any project or activity for which funds were provided in the preceding fiscal year—

"(A) in the corresponding regular appropriation Act for such preceding fiscal year; or

"(B) if the corresponding regular appropriation bill for such preceding fiscal year did not become law, then in a joint resolution making continuing appropriations for such preceding fiscal year.

"(2) Appropriations and funds made available, and authority granted, for a project or activity for any fiscal year pursuant to this section shall be at a rate of operations not in excess of the lower of—

"(A) the rate of operations provided for in the regular appropriation Act providing for such project or activity for the preceding fiscal year;

"(B) in the absence of such an Act, the rate of operations provided for such project or activity pursuant to a joint resolution making continuing appropriations for such preceding fiscal year;

"(C) the rate provided in the budget submission of the President under section 1105(a) of title 31, United States Code, for the fiscal year in question; or

"(D) the annualized rate of operations provided for in the most recently enacted joint resolution making continuing appropriations for part of that fiscal year or any funding levels established under the provisions of this Act.

"(3) Appropriations and funds made available, and authority granted, for any fiscal year pursuant to this section for a project or activity shall be available for the period beginning with the first day of a lapse in appropriations and ending with the earlier of—

"(A) the date on which the applicable regular appropriation bill for such fiscal year becomes law (whether or not such law provides for such project or activity) or a continuing resolution making appropriations becomes law, as the case may be; or

"(B) the last day of such fiscal year.

"(b) An appropriation or funds made available, or authority granted, for a project or activity for any fiscal year pursuant to this section shall be subject to the terms and conditions imposed with respect to the appropriation made or funds made available for the preceding fiscal year, or authority granted for such project or activity under current law.

"(c) Appropriations and funds made available, and authority granted, for any project or activity for any fiscal year pursuant to this section shall cover all obligations or expenditures incurred for such project or activity during the portion of such fiscal year for which this section applies to such project or activity.

"(d) Expenditures made for a project or activity for any fiscal year pursuant to this

section shall be charged to the applicable appropriation, fund, or authorization whenever a regular appropriation bill or a joint resolution making continuing appropriations until the end of a fiscal year providing for such project or activity for such period becomes law.

"(e) This section shall not apply to a project or activity during a fiscal year if any other provision of law (other than an authorization of appropriations)—

"(1) makes an appropriation, makes funds available, or grants authority for such project or activity to continue for such period; or

"(2) specifically provides that no appropriation shall be made, no funds shall be made available, or no authority shall be granted for such project or activity to continue for such period.

"(f) In this section, the term 'regular appropriation bill' means any annual appropriation bill making appropriations, otherwise making funds available, or granting authority, for any of the following categories of projects and activities:

"(1) Agriculture, rural development, and related agencies programs.

"(2) The Departments of Commerce, Justice, and State, the judiciary, and related agencies.

"(3) The Department of Defense.

"(4) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.

"(5) The Departments of Labor, Health and Human Services, and Education, and related agencies.

"(6) The Department of Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.

"(7) Energy and water development.

"(8) Foreign assistance and related programs.

"(9) The Department of the Interior and related agencies.

"(10) Military construction.

"(11) The Department of Transportation and related agencies.

"(12) The Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies.

"(13) The legislative branch."

(b) TECHNICAL AMENDMENT.—The analysis of chapter 13 of title 31, United States Code, is amended by inserting after the item relating to section 1310 the following new item:

"1311. Continuing appropriations."

(c) PROTECTION OF OTHER OBLIGATIONS.—Nothing in the amendments made by this section shall be construed to effect Government obligations mandated by other law, including obligations with respect to Social Security, Medicare, and Medicaid.

## **SEC. 403. EFFECTIVE DATE AND SUNSET.**

(a) EFFECTIVE DATE.—The amendments made by this title shall apply with respect to fiscal years beginning with fiscal year 2000.

(b) SUNSET.—The amendments made by this title shall sunset and have no force or effect after fiscal year 2001.

# **TITLE V—BUDGET ACT AMENDMENTS REGARDING THE SENATE'S CONSIDERATION OF BUDGET RESOLUTION AND RECONCILIATION BILLS**

## **SEC. 501. CONSIDERATION OF BUDGET MEASURES IN THE SENATE.**

(a) PROHIBITION AGAINST INCLUSION OF PRECATORY LANGUAGE IN A BUDGET RESOLUTION.—Section 301(a) of the Congressional Budget Act of 1974 is amended by adding at the end the following: "The concurrent resolution shall not include precatory language."

(b) PROCEDURE.—Section 305(b) of the Congressional Budget Act of 1974 is amended to read as follows:

"(b) PROCEDURE IN SENATE FOR THE CONSIDERATION OF A CONCURRENT RESOLUTION ON THE BUDGET.—

"(1) LEGISLATION AVAILABLE.—It shall not be in order to proceed to the consideration of a concurrent resolution on the budget unless the text of that resolution has been available to Members for at least 1 calendar day (excluding Sundays and legal holidays unless the Senate is in session) prior to the consideration of the measure.

"(2) TIME FOR DEBATE.—

"(A) IN GENERAL.—Debate in the Senate on any concurrent resolution on the budget, and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 30 hours, except that with respect to any concurrent resolution referred to in section 304(a) all such debate shall be limited to not more than 10 hours. Of this 30 hours, 10 hours shall be reserved for general debate on the resolution (including debate on economic goals and policies) and 20 hours shall be reserved for debate of amendments, motions, and appeals. The time for general debate shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

"(B) DISPOSITION OF AMENDMENTS AND OTHER MATTERS.—After no more than 30 hours of debate on the concurrent resolution on the budget, the Senate shall, except as provided in subparagraph (C), proceed, without any further action or debate on any question, to vote on the final disposition thereof.

"(C) ACTION PERMITTED AFTER 30 HOURS.—After no more than 30 hours of debate on the concurrent resolution on the budget, the only further action in order shall be disposition of—

"(i) all amendments then pending before the Senate;

"(ii) all points of order arising under this Act which have been previously raised; and

"(iii) motions to reconsider and 1 quorum call on demand to establish the presence of a quorum (and motions required to establish a quorum) immediately before the final vote begins.

Disposition shall include raising points of order against pending amendments, motions to table, and motions to waive.

"(3) AMENDMENTS.—

"(A) DEBATE.—Debate in the Senate on any amendment to a concurrent resolution on the budget shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, and debate on any amendment to an amendment, debatable motion, or appeal shall be limited to 30 minutes, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, except that in the event the manager of the concurrent resolution is in favor of any such amendment, motion, or appeal, the time in opposition thereto shall be controlled by the Minority Leader or his designee. No amendment that is not germane to the provisions of that concurrent resolution shall be received. An amendment that includes precatory language shall not be considered germane. Such leaders, or either of them, may, from the time for general debate under their control on the adoption of the concurrent resolution, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.

"(B) FILING OF AMENDMENTS.—Except by unanimous consent, no amendment shall be proposed after 15 hours of debate of a concurrent resolution on the budget have elapsed,

unless it has been submitted in writing to the Journal Clerk by the 15th hour if an amendment in the first degree (or if a complete substitute for the underlying measure), and unless it has been so submitted by the 20th hour if an amendment to an amendment (or an amendment to the language proposed to be stricken).

“(C) RECOGNITION.—For the purpose of providing an opportunity for the offering amendments in the first degree (or amendments which are a complete substitute for the underlying measure), the Presiding Officer of the Senate shall alternate recognition between members of the majority party and the minority party. No Senator shall call up more than a total of 2 amendments until every other Senator shall have had the opportunity to do likewise.

“(D) LIMITATION ON NUMBER OF SECOND DEGREE AMENDMENTS.—No more than a total of 2 consecutive amendments to any amendment may be offered by either the majority or minority party.

“(4) DEBATE.—General debate time may only be yielded back by unanimous consent and a motion to further limit the time for general debate shall be debatable for 30 minutes. A motion to recommit (except a motion to recommit with instructions to report back within a specified number of days, not to exceed 3, not counting any day on which the Senate is not in session) is not in order. Debate on any such motion to recommit shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution.

“(5) MATHEMATICAL CONSISTENCY.—

“(A) IN GENERAL.—Notwithstanding any other rule, and except as provided in subparagraph (B), an amendment or series of amendments to a concurrent resolution on the budget proposed in the Senate shall always be in order if such amendment or series of amendments proposes to change any figure or figures then contained in such concurrent resolution so as to make such concurrent resolution mathematically consistent or so as to maintain such consistency.

“(B) EFFECT OF ADOPTION OF SUBSTITUTE AMENDMENTS.—Once an amendment to an amendment (which is a complete substitute for the underlying amendment) has been agreed to, no further amendments to the underlying amendment shall be in order.”

(C) CONFERENCE REPORTS IN THE SENATE.—

Section 305(c) is amended to read as follows:

“(C) ACTION ON CONFERENCE REPORTS IN THE SENATE.—

“(1) MOTION TO PROCEED.—A motion to proceed to the consideration of the conference report on any concurrent resolution on the budget (or a reconciliation bill or resolution) may be made even though a previous motion to the same effect has been disagreed to.

“(2) CONSIDERATION.—

“(A) IN GENERAL.—During the consideration in the Senate of the conference report (or a message between Houses) on any concurrent resolution on the budget, and all amendments in disagreement, and all amendments thereto, and debatable motions and appeals in connection therewith, debate shall be limited to 10 hours, to be equally divided between, and controlled by, the Majority Leader and Minority Leader or their designees. Debate on any debatable motion or appeal related to the conference report (or a message between Houses) shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the conference report (or a message between Houses).

“(B) DISPOSITION.—After no more than 10 hours of debate on the conference report (or message between Houses) accompanying a concurrent resolution on the budget, and all

amendments in disagreement, and all amendments thereto, the Senate shall, except as provided in subparagraph (C), proceed, without any further action or debate on any question, to vote on the final disposition thereof.

“(C) ACTION PERMITTED AFTER 10 HOURS.—After no more than 10 hours of debate on the conference report (or message between the Houses) accompanying a concurrent resolution on the budget, and all amendments in disagreement, and all amendments thereto, the only further action in order shall be disposition of: all amendments then pending before the Senate; all points of order arising under this Act which have been previously raised; and motions to reconsider and 1 quorum call on demand to establish the presence of a quorum (and motions required to establish a quorum) immediately before the final vote begins. Disposition shall include raising points of order against pending amendments, motions to table, and motions to waive.

“(3) CONFERENCE REPORT DEFEATED.—Should the conference report be defeated, debate on any request for a new conference and the appointment of conferees shall be limited to 1 hour, to be equally divided between, and controlled by, the manager of the conference report and the Minority Leader or his designee, and should any motion be made to instruct the conferees before the conferees are named, debate on that motion shall be limited to one-half hour, to be equally divided between, and controlled by, the mover and the manager of the conference report. Debate on any amendment to any such instructions shall be limited to 20 minutes, to be equally divided between and controlled by the mover and the manager of the conference report. In all cases when the manager of the conference report is in favor of any motion, appeal, or amendment, the time in opposition shall be under the control of the minority leader or his designee.

“(4) AMENDMENTS IN DISAGREEMENT.—In any case in which there are amendments in disagreement, time on each amendment shall be limited to 30 minutes, to be equally divided between, and controlled by, the manager of the conference report and the Minority Leader or his designee. No amendment that is not germane to the provisions of such amendments shall be received.”

(C) RECONCILIATION.—Section 310(e) is amended to read as follows:

“(e) PROCEDURE IN THE SENATE.—The provisions of section 305 for the consideration in the Senate of concurrent resolutions on the budget and conference reports thereon, except for the provisions of subsection (b)(5) of that section, shall also apply to the consideration in the Senate of reconciliation bills considered under subsection (b) and conference reports thereon.”

#### SEC. 502. DEFINITION.

Section 3 of the Congressional Budget Act of 1974 is amended by adding the following new paragraph:

“(13) The term ‘major functional category’ means the allocation of budget authority and outlays separated into the following sub-totals:

“(A) Defense discretionary.

“(B) Nondefense discretionary.

“(C) Direct spending.

“(D) If deemed necessary, other subsets of discretionary and direct spending.”

#### SEC. 503. CONFORMING THE COMPENSATION OF THE DIRECTOR AND DEPUTY DIRECTOR OF THE CONGRESSIONAL BUDGET OFFICE WITH OTHER LEGISLATIVE BRANCH SUPPORT AGENCIES.

Section 201(a)(5) of the Congressional Budget Act of 1974 is amended—

(I) in the first sentence, by striking “(III)” and inserting “(II)”; and

(2) in the second sentence, by striking “(IV)” and inserting “(III)”.

#### DESCRIPTION OF THE BUDGET ENFORCEMENT ACT OF 1999

##### TITLE I: BIENNIAL BUDGETING AND APPROPRIATIONS

Requires the President to submit a two-year budget at the beginning of the first session of a Congress.

Requires Congress to adopt a two-year budget resolution and a reconciliation bill (if necessary) during the first session of a Congress.

Requires Congress to enact 13 appropriations bills covering a two-year period during the first session of a Congress and provides a new majority point of order against appropriations bills that fail to cover two years.

Makes budgeting and appropriating the priority for the first session of a Congress by providing a new majority point of order against consideration of authorization and revenue legislation until the completion of the biennial budget resolution, reconciliation legislation (if necessary) and the thirteen biennial appropriations bills.

Devotes the second session of a Congress to consideration of biennial authorization bills and oversight of federal programs and provides a majority point of order against authorization and revenue legislation that cover less than two years except those measures limited to temporary programs or activities lasting less than two years.

Modifies the Government Performance and Results Act of 1993 (the Results Act) to incorporate the government performance planning and reporting process into the two-year budget cycle to enhance oversight of federal programs.

##### TITLE II: EMERGENCY SPENDING REFORMS

Makes any emergency spending in any bill subject to a 60 vote point of order in the Senate. If this point of order is sustained against any emergency provision, the emergency spending would be extracted from the bill under a Byrd rule procedure.

Provides a reporting requirement for the President and Congress to justify proposed emergencies spending and to document whether proposed emergencies meet five criteria: necessary, sudden, urgent, unforeseen, and not permanent.

Makes any non-emergency provision in an emergency supplemental appropriations bill subject to a 60 vote point of order in the Senate. If this point of order was sustained, the non-emergency provision would be extracted from the bill under a Byrd rule procedure.

##### TITLE III: CLARIFYING CHANGES TO PAY-AS-YOU-GO

Amends the Senate's 10-year pay-as-you-go rule to make clear that an on-budget surplus can be used to offset the cost of tax reductions or direct spending increases.

Amends the statutory pay-go system (enforced by OMB) to make clear that an on-budget surplus can be used to offset the cost of tax reductions or direct spending increases.

Amends the Byrd rule to allow revenue losing provisions in reconciliation bills to be made permanent as long as they do not cause an on-budget deficit in the future.

##### TITLE IV: GOVERNMENT SHUTDOWN PREVENTION ACT

Provide for an automatic continuing resolution (CR) at the lower of the President's requested level or the previous year's appropriated level.

##### TITLE V: STREAMLINING THE BUDGET PROCESS

Eliminates the “vote-athon” at the end of the process by adopting procedures similar to a post-cloture process for budget resolutions and reconciliation bills:

Reduce time on a budget resolution from 50 to 30 hours (10 hours of which would be reserved for amendments);

Reduce time on amendments from 2 hours to 1 hour;

Establish filing deadlines (1st degree amendments must be filed by 15th hour; 2nd degree amendments must be filed by 20th hour);

After all time expires, require vote on any pending amendments and then final passage;

Make sense of the Senate amendments on budget resolutions and reconciliation bills nongermane; and,

Adopt same procedures for reconciliation bills.

Modifies the scope of the budget resolution to be major categories of spending instead of 20 individual functions.

By Mr. McCain:

S. 94. A bill to repeal the telephone excise tax; to the Committee on Finance.

#### REPEAL OF THREE PERCENT FEDERAL EXCISE TAX

Mr. McCain. Mr. President, I rise to introduce a bill to repeal the three percent federal excise tax that all Americans pay every time they use a telephone.

Under current law, the federal government taxes you three percent of your monthly phone bill for the so-called "privilege" of using your phone lines. This tax was first imposed one hundred years ago. To help finance the Spanish-American War, the federal government taxed telephone service, which in 1898 was a luxury service enjoyed by relatively few. The tax reappeared as a means of raising revenue for World War I, and continued as a revenue-raiser during the Great Depression, World War II, the Korean and Vietnam Wars, and the chronic federal budget deficits of the last twenty years.

Fortunately for telephone subscribers, we are enjoying some long-overdue good news: thanks to the Balanced Budget Act enacted by the Congress in 1997, we are now expecting budget surpluses for the next decade, perhaps as much as \$700 billion. Mr. President, just as it did in the 105th Congress, that announcement should mean the end of the federal phone excise tax.

Here's why. First of all, the telephone is a modern-day necessity, not like alcohol, or furs, or jewelry, or other items of the sort that the government taxes this way. The Congress specifically recognized the need for all Americans to have affordable telephone service when it enacted the 1996 Telecommunications Act. The universal service provisions of the Act are intended to assure that all Americans, regardless of where they live or how much money they make, have access to affordable telephone service. The telephone excise tax, which bears no relationship to any government service received by the consumer, is flatly inconsistent with the goal of universal telephone service.

It's also a highly regressive and unfair tax that hurts low-income and rural Americans even more than other

Americans. Low-income families spend a higher percentage of their income than medium- or high-income families on telephone service, and that means the telephone tax hits low-income families much harder. For that reason the Congressional Budget Office has concluded that increases in the telephone tax would have a greater impact on low-income families than tax increases on alcohol or tobacco products. And a study by the American Agriculture Movement concluded that excise taxes like the telephone tax impose a disproportionately large tax burden on rural customers, too, who rely on telephone service in isolated areas.

But, in addition to being unfair and unnecessary, there is another reason why we should eliminate the telephone excise tax. Implementation of the Telecom Act of 1996 requires all telecommunications carriers—local, long-distance, and wireless—to incur new costs in order to produce a new, more competitive market for telecommunications services of all kinds.

Unfortunately, the cost increases are arriving far more quickly than the new, more competitive market. The Telecom Act created a new subsidy program for wiring schools and libraries to the Internet, and the cost of funding that subsidy has increased bills for business and residential users of long-distance telephone service and for consumers of wireless services.

Mr. President, the fact that the Telecom Act has imposed new charges on consumers' bills makes it absolutely incumbent upon us to strip away any unnecessary old charges. And that means the telephone excise tax.

Mr. President, the telephone excise tax isn't a harmless artifact from bygone days. It collects money for wars that are already over, and for budget deficits that no longer exist, from people who can least afford to spend it now and from people who are footing higher bills as a result of the 1996 Telecom Act implementation. That's unfair, that's wrong, and that must be stopped.

San Juan Hill and Pork Chop Hill have now gone down in history, and so should this tax.

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. 94

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

#### SEC. 1. REPEAL OF TELEPHONE EXCISE TAX.

(a) IN GENERAL.—Effective with respect to amounts paid pursuant to bills first rendered on or after January 1, 1999, subchapter B of chapter 33 of the Internal Revenue Code of 1986 (26 U.S.C. 4251 et seq.) is repealed. For purposes of the preceding sentence, in the case of communications services rendered before December 1, 1998, for which a bill has not been rendered before January 1, 1999, a bill shall be treated as having been first rendered on December 31, 1998.

(b) CONFORMING AMENDMENT.—Effective January 1, 1999, the table of subchapters for

such chapter is amended by striking out the item relating to subchapter B.

By Mr. McCain:

S. 95. A bill to amend the Communications Act of 1934 to ensure that public availability of information concerning stocks traded on an established stock exchange continues to be freely and readily available to the public through all media of mass communication; to the Committee on Commerce, Science, and Transportation.

#### THE TRADING INFORMATION ACT

Mr. McCain. Mr. President, I rise to introduce the Trading Information Act. In 1998, Americans continued to discover the Internet for the increased access to information and entertainment it provides, and as a more convenient means of purchasing goods. Americans also continued to discover the Internet as a more direct means of making and managing investments.

Online stock trading is growing at a phenomenal pace. According to Forrester Research, there are more than 3 million online accounts, and that number is expected to exceed 14 million by 2002. In fact, the number of online traders in 1998 doubled from 1997, as it did from 1996.

Trading over the Internet is providing more Americans with the opportunity to increase their personal wealth, and to participate in the current growth in the market. New discount brokerages, high-speed Internet access, and "real time" market updates are all contributing to the growth of online trading. The Trading Information Act will help to preserve this growing trend.

The Trading Information Act will ensure that online traders will continue to have access to information relating to financial markets which they rely on to properly manage their assets. Whether watching a stock ticker on television, receiving up-to-date information over a cell phone or pager, or logging on with an online brokerage firm, Americans must continue to have unfettered access to this vital information, and this bill will ensure they continue to have it.

By Mr. McCain:

S. 96. A bill to regulate commerce between and among the several States by providing for the orderly resolution of disputes arising out of computer-based problems related to processing data that includes a 2-digit expression of that year's date; to the Committee on Commerce, Science, and Transportation.

#### Y2K ACT

Mr. McCain. Mr. President, I am pleased to introduce a bill today to limit and prevent needless and costly litigation which is arising as a result of the computer programming problem commonly known as Y2K. Even before December 31 arrives lawsuits are beginning to be filed. This is an unfortunate reflection on our overly litigious society, and a situation which needs to be

remedied. The Y2K Act takes a step toward encouraging technology producers to work with technology users and consumers to ensure a seamless transition for the 1990's to the year 2000.

The purpose of this legislation is to ensure that we look to solving the technology glitch known as Y2K rather than clog our courts with years of costly litigation. The legislation is designed to compensate actual losses, but to assure that the courts do not punish defendants who have made good faith efforts to remedy the technology failure. My goal is to provide incentives for fixing the potential Y2K failures before they happen, rather than create windfalls for those who litigate.

The bill would also encourage efficient resolution of failures by requiring plaintiffs to afford their potential defendants an opportunity to remedy the failure and make things right before facing a lawsuit. We should encourage people to talk to each other, to try to address and remedy problems in a timely and professional manner.

Physical injuries are not covered by the limitations on litigation and damages in this bill. In those instances where a computer date failure is responsible for personal physical injury, it is best to leave the remedy to existing state laws. Further, it would be imprudent policy to offer any "safe harbor" in such situations because to do so might have the undesired result of discouraging proactive remediation.

This bill is a starting point. It provides an opportunity to begin discussion. It is my intention to hold a hearing in the near future, and to bring this bill to mark-up as quickly as full discussion will permit. I know many of my colleagues are interested in addressing this issue as well, and I look forward to working with them, and with affected industries and consumers to arrive at an acceptable piece of legislation which will benefit industry and consumers alike.

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

S. 97. A bill to require the installation and use by schools and libraries of a technology for filtering or blocking material on the Internet on computers with Internet access to be eligible to receive or retain universal service assistance; to the Committee on Commerce, Science, and Transportation.

#### CHILDREN'S INTERNET PROTECTION ACT

Mr. McCAIN. Mr. President, I rise today to introduce The Children's Internet Protection Act, which is designed to protect children from exposure to sexually explicit and other harmful material when they access the Internet in school and in the library. This legislation is substantially similar to the Internet School Filtering Act, which I introduced in the last session of Congress.

This legislation, like its predecessor, comes to grips with one of the more unfortunate aspects of modern life: that the problems modern life don't

stop at the schoolhouse door. Societal problems like violence and drugs have become part of the curriculum of life at many schools.

Now, however, we are adding another problem to the list. And this particular wolf of a problem will walk into our schools disguised in the worthiest of sheep's clothing: the Internet.

Today, pornography is widely available on the Internet. According to "Wired" magazine, today there are approximately 28,000 adult Web sites promoting hard and soft-core pornography. Together, these sites register many millions of "hits" by websurfers per day.

Mr. President, there is no question that some of the websurfers who are accessing these sites are children. Some, unfortunately, are actively searching for these sites. But many others literally and unintentionally stumble across them.

Anyone who uses seemingly innocuous terms while searching the World Wide Web for educational or harmless recreational purposes can inadvertently run into adult sites. For example, when the term "H20" was typed recently into a search engine, one of the first of over 36,000 sites retrieved led to another site titled "www.hardcoresex.com." This site provided the typical warning to those under 18 not to enter—and then proceeded to offer a free, uncensored preview of the pornographic material on the site. And when the searcher attempted to escape from the site, new porn-oriented sites immediately opened.

Parents wishing to protect their children from exposure to this kind of material can monitor their children's Internet use at home. This is a parent's proper role, and no amount of governmental assistance or industry self-regulation will ever be as effective in protecting children as parental supervision. But parents can't supervise how their children use the Internet outside the home, in schools and libraries.

Mr. President, the billions of dollars per year the federal government will be giving schools and libraries to enable them to bring advanced Internet learning technology to the classroom will bring in the Internet's explicit online content as well. These billions of dollars will ultimately be paid for by the American people. So it is only right that if schools and libraries accept these federally-provided subsidies for Internet access, they have an absolute responsibility to their communities to assure that children are protected from online content that can harm them.

And this harm can be prevented. The prevention lies, not in censoring what goes onto the Internet, but rather in filtering what comes out of it onto the computers our children use outside the home.

Mr. President, Internet filtering system work, and they need not be blunt instruments that unduly constrain the availability of legitimately instruc-

tional material. Today they are adaptable, capable of being fine-tuned to accommodate changes in websites as well as the evolving needs of individual schools and even individual lesson plans. Best of all, their use will channel explicit material away from children while they are not under parental supervision, while not in any way inhibiting the rights of adults who may wish to post indecent material on the Web or have access to it outside school environs.

Mr. President, it boils down to this: The same Internet that can benefit our children is also capable of inflicting terrible damage on them. For this reason, school and library administrators who accept universal service support to provide students with its intended benefits must also safeguard them against its unintended harm. I commend the efforts of those who have recognized this responsibility by providing filtering systems in the many educational facilities that have already have Internet capability. This legislation assures that this responsibility is extended to all other institutions as they implement advanced technologies funded by federally-mandated universal service funds.

Mr. President, this bill takes a sensible approach. It requires schools receiving universal service discounts to use a filtering system on their computers so that objectionable online materials will not be accessible to students. Libraries with more than one computer are required to use a filtering system on at least one computer used by minors. Filtering technology is itself eligible to be subsidized by the E-rate discount. Schools and libraries must install and use filtering or blocking technology to be eligible to receive universal service fund subsidies for Internet access. If schools and libraries do not do so, they will not be eligible to receive universal service fund-subsidized discounts and will have to refund any E-rate subsidy funds already paid out.

Some have argued that the use of filtering technology in public schools and libraries would amount to censorship under the First Amendment. The Supreme Court has found, however, that obscenity is not protected by the First Amendment. And insofar as other sexually-explicit material is concerned, the bill will not affect an adult's ability to access this information on the Internet, and it will in no way impose any filtering requirement on Internet use in the home.

Perhaps most important, the bill prohibits the federal government from prescribing any particular filtering system, or from imposing a different filtering system than the one selected by the certifying educational authority. It thus places the prerogative for determining which filtering system best reflects the community's standards precisely where it should be: on the community itself.

Mr. President, more and more people are using the Internet each day. Currently, there may be as many as 50 million Americans online, and that number is expected to at least double by the millennium. As Internet use in our schools and libraries continues to grow, children's potential exposure to harmful online content will only increase. This bill simply assures that universal service subsidies will be used to defend them from the very dangers that these same subsidies are otherwise going to increase. This is a rational response to what could otherwise be a terrible and unintended problem.

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

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

S. 97

*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 "Children's Internet Protection Act".

#### SEC. 2. NO UNIVERSAL SERVICE FOR SCHOOLS OR LIBRARIES THAT FAIL TO IMPLEMENT A FILTERING OR BLOCKING TECHNOLOGY FOR COMPUTERS WITH INTERNET ACCESS.

(a) IN GENERAL.—Section 254 of the Communications Act of 1934 (47 U.S.C. 254) is amended by adding at the end thereof the following:

"(I) IMPLEMENTATION OF AN INTERNET FILTERING OR BLOCKING TECHNOLOGY.—

"(1) IN GENERAL.—An elementary school, secondary school, or library that fails to provide the certification required by paragraph (2) or (3), respectively, is not eligible to receive or retain universal service assistance provided under subsection (h)(1)(B).

"(2) CERTIFICATION FOR SCHOOLS.—To be eligible to receive universal service assistance under subsection (h)(1)(B), an elementary or secondary school (or the school board or other authority with responsibility for administration of that school) shall certify to the Commission that it has—

"(A) selected a technology for computers with Internet access to filter or block material deemed to be harmful to minors; and

"(B) installed, or will install, and uses or will use, as soon as it obtains computers with Internet access, a technology to filter or block such material.

"(3) CERTIFICATION FOR LIBRARIES.—

"(A) LIBRARIES WITH MORE THAN 1 INTERNET-ACCESSING COMPUTER.—To be eligible to receive universal service assistance under subsection (h)(1)(B), a library that has more than 1 computer with Internet access intended for use by the public (including minors) shall certify to the Commission that it has installed and uses a technology to filter or block material deemed to be harmful to minors on one or more of its computers with Internet access.

"(B) LIBRARIES WITH ONLY 1 INTERNET-ACCESSING COMPUTER.—A library that has only 1 computer with Internet access intended for use by the public (including minors) is eligible to receive universal service assistance under subsection (h)(1)(B) even if it does not use a technology to filter or block material deemed to be harmful to minors on that computer if it certifies to the Commission that it employs a reasonably effective alternative means to keep minors from accessing material on the Internet that is deemed to be harmful to minors.

"(4) TIME FOR CERTIFICATION.—The certification required by paragraph (2) or (3) shall be made within 30 days of the date of enactment of the Children's Internet Protection Act, or, if later, within 10 days of the date on which any computer with access to the Internet is first made available in the school or library for its intended use.

"(5) NOTIFICATION OF CESSATION; ADDITIONAL INTERNET-ACCESSING COMPUTER.—

"(A) CESSATION.—A library that has filed the certification required by paragraph (3)(A) shall notify the Commission within 10 days after the date on which it ceases to use the filtering or blocking technology to which the certification related.

"(B) ADDITIONAL INTERNET-ACCESSING COMPUTER.—A library that has filed the certification required by paragraph (3)(B) that adds another computer with Internet access intended for use by the public (including minors) shall make the certification required by paragraph (3)(A) within 10 days after that computer is made available for use by the public.

"(6) PENALTY FOR FAILURE TO COMPLY.—A school or library that fails to meet the requirements of this subsection is liable to repay immediately the full amount of all universal service assistance it received under subsection (h)(1)(B).

"(7) LOCAL DETERMINATION OF MATERIAL TO BE FILTERED.—For purposes of paragraphs (2) and (3), the determination of what material is to be deemed harmful to minors shall be made by the school, school board, library or other authority responsible for making the required certification. No agency or instrumentality of the United States Government may—

"(A) establish criteria for making that determination;

"(B) review the determination made by the certifying school, school board, library, or other authority; or

"(C) consider the criteria employed by the certifying school, school board, library, or other authority in the administration of subsection (h)(1)(B)."

(b) CONFORMING CHANGE.—Section 254(h)(1)(B) of the Communications Act of 1934 (47 U.S.C. 254(h)(1)(B)) is amended by striking "All telecommunications" and inserting "Except as provided by subsection (I), all telecommunications".

#### SEC. 3. FCC TO ADOPT RULES WITHIN 4 MONTHS.

The Federal Communications Commission shall adopt rules implementing section 254(I) of the Communications Act of 1934 within 120 days after the date of enactment of this Act.

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

S. 98. A bill to authorize appropriations for the Surface Transportation Board for fiscal years 1999, 2000, 2001, and 2002, and for other purposes; to the Committee on Commerce, Science, and Transportation.

#### SURFACE TRANSPORTATION BOARD REAUTHORIZATION ACT OF 1999

Mr. MCCAIN. Mr. President, today I am introducing the Surface Transportation Board (STB) Reauthorization Act of 1999. I am pleased Senator HOLLINGS, the Ranking member of Senate Committee on Commerce, Science, and Transportation and Majority Leader LOTT, also a distinguished member of our Committee, have joined me in sponsoring this important legislation.

The introduction of this bill on this, the first day in the 106th Congress for introducing legislation, is intended to demonstrate the firm commitment of

the bill's sponsors to enact multi-year legislation extending the Board's authorization. Many of us worked toward enacting a reauthorization measure last year, but those efforts were unsuccessful due to matters generally unrelated to the Board itself. While those rail-related issues remain for some, I do not believe we should hold the STB's reauthorization hostage and believe we could consider dual-track measures—this reauthorization on the one hand and proposals for statutory changes on another. Although the dual-track did not succeed last Congress, I am hopeful that it can in the 106th Congress.

The Surface Transportation Board Reauthorization Act of 1999 is straight forward. First, it proposes to reauthorize the STB for the current fiscal year through 2002 and provide sufficient resources to ensure the Board is able to continue to carry out its very serious responsibilities and duties. Second, it proposes that the Board's Chairmanship be subject to Senate confirmation like a host of other Boards and Commissions throughout the Federal government, including the National Transportation Safety Board, the Commodity Futures Trading Commission, the Export-Import Bank, and the Consumer Product Safety Commission to name a few.

Mr. President, I want to inform my colleagues that the Senate Commerce Committee intends to fully explore the resource needs of the Board and also consider limited proposals for statutory changes advocated by some members. I know the Chairman of the Surface Transportation and Merchant Marine Subcommittee, Senator HUTCHISON, plans to hold hearings on the STB and continue the examination of STB actions affecting rail service and rail shipper problems which were initiated during the 105th Congress.

As I have stated on numerous occasions, rail service and rail shipper issues warrant serious consideration. These matters have received extensive and comprehensive examination under Subcommittee Chairman HUTCHISON's able leadership and will continue as important oversight issues under the Committee's jurisdiction. I strongly believe, however, specific rail service and rail shipper problems and cases are best resolved by the Board. That is why Congress must provide the Board with the resources and legal authority necessary for it to continue to carry out its statutory duties fully and fairly, and on a timely basis.

The STB is one of our smallest Federal entities and it has very limited resources. It is imperative that we reauthorize the Board so that it can continue to produce the vast workload it has achieved since its inception in 1996. We must do our part to assist the Board in fulfilling its statutory duties responsibly and independently. The Administration and Congress must also take necessary action to ensure a fully constituted Board.



I look forward to working on this important transportation legislation and hope my colleagues will agree to join with me and the other sponsors in expeditiously moving this necessary reauthorization through the legislative process.

Mr. HOLLINGS. Mr. President, I rise today to support the reauthorization of the Surface Transportation Board (Board). As I have said many times before, the Board performs a vital role regulating the interests of our railroad and other surface transportation industries. Under the able and forward-looking leadership of Linda Morgan, the Board's Chairman, who was with us on the Commerce Committee for many years, the Board with its small staff has put out more work, and higher quality work, than much larger agencies. Most significantly, unlike many other agencies, the Board is not afraid to tackle the hard issues, and to put out decisions that are fair, well-reasoned, and independent of political expediency. For example, the Board's unprecedented and focused actions in handling the recent rail service crisis in the West provided the appropriate mix of government intervention and private-sector initiative.

More recently, at the end of 1998, at the request of Chairman McCain and Senator HUTCHISON, the Board reviewed rail competition and issued several decisions in controversial cases, and made several recommendations to Congress, that reflect a balanced and comprehensive view of the transportation industry and the fundamental issues that confront it. The Board recently released its findings. In rendering these decisions, the Board, which is accountable to Congress, has acted responsibly and has provided a valuable service in resolving issues within its jurisdiction such as the determination of market dominance, and in raising others, such as open access, more appropriately addressed by Congress.

As anyone who has read the comprehensive letter from Chairman MORGAN to Senators McCain and HUTCHISON reporting on the Board's rail access and competition proceeding knows, the Board has acted creatively, aggressively, and decisively in tackling hard issues within its jurisdiction, and in making suggestions to Congress as to how to address remaining issues of contention between railroads and their shippers, and between railroads and their employees. One of its decisions finalized rules that for the first time provide various specific avenues for relief in cases of localized poor rail service, and another decision took steps to facilitate the review of rail rate reasonableness cases by eliminating certain evidentiary thresholds.

Linda Morgan as Board Chairman pressed the railroad industry to be more directly accountable to the needs of their customers, and has requested them to reach out directly to their shippers and employees. This has allowed the railroads to reach more set-

tlements with their customers and employees than they have in many years. I commend the Board for initiating government action that results in private sector settlements. Ultimately this sort of settlement has greater chance of realistic dispute resolution. Congress should feel fortunate to have an agency with the competence and credibility to move issues forward in such a positive direction.

Because we need the Board, and because the Board has done a fine job, I am here today supporting the introduction of a reauthorization bill. I know that some tough legislative issues regarding transportation regulation may come our way this session, and I look forward to working with the Board and my colleagues on those matters. Whatever the resolution of those matters, we need the stability and continuity in addressing these issues that reauthorization legislation for the Board will provide.

The Board, working with the law we gave it, has done its job. I want to thank the Board in general, and Chairman Morgan in particular, who has my unqualified support, for a job well done. The Board has been confronted with some of the most difficult and fundamental issues to challenge rail transportation in many years. The agency has met these issues head on with forthrightness and resolve, taking into account the interests of all parties. However, I am concerned for the Board's future; the Board has not had the opportunity to bring in new personnel to replace personnel that will be of retirement age. It is incumbent on us that we provide this agency the necessary resources to adequately train new personnel, and prepare them to address the rail and other surface issues of the future.

I think that much credit is due the Board for facilitating more private-sector dialogue, initiative, and resolution than has ever been undertaken before, and for raising and tackling issues in ways that have never been undertaken before. Once again, I commend the Board on a job well done. The Nation needs agencies like the Board, and I enthusiastically support the reauthorization bill.

By Mr. McCain (for himself, Mrs. HUTCHISON, Mr. STEVENS, Mr. CRAIG, Mr. WARNER, and Mr. ASHCROFT):

S. 99. A bill to provide for continuing in the absence of regular appropriations for fiscal year 2000; to the Committee on Appropriations.

#### GOVERNMENT SHUTDOWN ACT OF 1999

Mr. McCain. Mr. President, today I and Senator HUTCHISON, Senator STEVENS, Senator CRAIG, Senator WARNER, and Senator ASHCROFT are introducing the Government Shutdown Prevention Act of 1999. This bill creates a statutory continuing resolution as sort of a safety net funding mechanism, which would be triggered only if the Fiscal Year 2000 appropriation acts do not be-

come law or if there is no governing continuing resolution in place after the start of Fiscal Year 2000.

Mr. President, this legislation is important. It must be done soon, and I intend to seek early action on this bill. I believe the lesson of the last 4 years is that we cannot allow the Government to be shut down again, nor can we allow the threat of a Government shutdown to be so imminent that we fiscal conservatives are forced to acquiesce to the appropriation of billions of dollars for projects that do not serve our nation's best interests.

What this legislation does is ensure that the Government will not shut down and that Government shutdowns cannot be used for political gain. This safety net continuing resolution basically would set spending for fiscal year 2000 at 98 percent of 1999 funding levels. The resolution would take effect only if the Congress and the President have not completed their work on time.

Mr. President, let me make it clear that this bill only applies to the Fiscal Year 2000 appropriations. I believe that it should be expanded to make the statutory continuing resolution a permanent safety net to prevent disruptive government shutdowns.

We all saw the effects of gridlock in the past. No one wins when the Government shuts down. Shutdowns only confirm the American people's suspicions that we are more interested in political gain than doing the nation's business. The American people are tired of gridlock. They want the Government to work for them, not against them.

Our Founding Fathers would have been ashamed of our inability to execute the power of the purse in a responsible fashion. I am sure they would have been quite shocked by the 27 days in late 1995 that the Government was shut down, the 13 continuing resolutions that had to be passed to provide temporary spending authority, and the almost \$6 billion in blackmail money that was given to the Administration to ensure that the Government did not shut down a third time in Fiscal Year 1996.

Although Republicans shouldered the blame for the 1995 Government shutdown, President Clinton and his colleagues were equally at fault for using it for their political gain. Republicans were outmaneuvered by President Clinton because we did not realize that he was willing to use the budget process for his own political purposes.

We also cannot let the threat of another Government shutdown force us to adopt another fiscal debacle like the FY 1999 Omnibus Appropriations Bill. The political finagling that led to the extra \$20 billion in pork-barrel spending in that bill made mockery of the budget process and insulted the intention of the framers to give Congress the power of the purse. The only reason the Congress passed such a monstrosity was the ever-present specter of another government shutdown and Washington gridlock in an election year.

The Government Shutdown Act of 1999 does not erode the power of the appropriators. It gives them ample opportunity to do their job. It is only if the appropriations process is not completed by the beginning of the fiscal year, that the safety net continuing resolution will go into effect. In addition, I emphasize that entitlements are fully protected in this legislation. The bill specifically states that entitlements such as Social Security—as obligated by law—will be paid regardless of what appropriations bills are passed or not passed.

We saw in 1995 how politically motivated government shutdowns hit all Americans hard. In my State of Arizona, during the Government shutdown the Grand Canyon was closed for the first time in 76 years. I heard from people who worked close to the Grand Canyon. These were not Government employees. These were independent small business men and women. They told me that the shutdown cost them thousands of dollars because people could not go to the park. According to a CRS report, local communities near national parks alone lost an estimated \$14.2 million per day in tourism revenues as a direct result of the Government shutdown, for a total of nearly \$400 million over the course of the shutdown.

The cost of the last Government shutdown cannot be measured in just dollars and cents. During the 1995 shutdown, millions of Americans could not get crucial social services. For example, 10,000 new Medicare applications, 212,000 Social Security card requests, 360,000 individual office visits and 800,000 toll-free calls for information and assistance were turned away each day. There were even more delays in services for some of the most vulnerable in our society, including 13 million recipients of AFDC, 273,000 foster care children, over 100,000 children receiving adoption assistance services and over 100,000 Head Start children—not to mention the new patients that were not accepted into clinical research centers, the 7 million visitors who could not attend national parks, or the 2 million visitors turned away at museums and monuments. And the list goes on and on.

In addition, our Federal employees were left in fear wondering whether they would be paid, would they have to go to work, would they be able to pay their bills on time. In my State of Arizona, for example, of the 40,383 Federal employees, over 15,000 of them were furloughed in the 1995 Government shutdown.

As bad as the 1995 government shutdown was, the fiscal nightmare known as the FY 1999 Omnibus Appropriations Bill, was equally repulsive. This 4,000-page, 40-pound, nonamendable, budget-busting bill provided over a half-trillion dollars to fund 10 Cabinet-level federal departments. To make matters worse, this bill exceeded the budget ceiling by \$20 billion for what is euphemistically called emergency

spending. Much of this so-called "emergency spending" is really everyday, garden-variety, special interest, pork-barrel spending paid for by robbing billions from the budget surplus.

This monstrous bill passed because Congress was forced to either pass it, or face another government shutdown. The Government Shutdown Prevention Act of 1999 would make it more difficult for opportunistic politicians to put the American public at risk by threatening to shutdown essential government functions if Congress cannot agree on spending priorities and policies.

A 1991 GAO report confirmed that permanent funding lapse legislation is a necessity. In their report they stated, "Shutting down the Government during temporary funding gaps is an inappropriate way to encourage compromise on the budget."

Let us show the American people that we have learned our lessons from the 1995 Government shutdown and the 1998 fiscal debacle. Passing this preventive measure will go a long way to restore America's faith that politics or stalled negotiations will not stop Government operations. It will show our constituents that we will never again allow a Government shutdown or threat of a Government shutdown to be used for political gain.

We anticipate strong support from the Leadership, and urge them to move this legislation forward as soon as possible. This is must-pass legislation. Neither party can afford another breach of faith with the American people. Our constituents are tired of constantly being disappointed by the actions of Congress and the President. That is why this legislation is so important. Never again, should the American public's hard-earned dollars be used as ransom to prevent a politically motivated government shutdown.

By Mr. McCain:

S. 100. A bill to grant the power to the President to reduce budget authority; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

THE SEPARATE ENROLLMENT ACT OF 1999

Mr. McCain. Mr. President, today, I will reintroduce the Separate Enrollment Act of 1999. This bill requires each targeted tax benefit or spending item in legislation to be enrolled as a separate bill before it is sent to the President. If the President chooses to veto one of these items, each of these vetoes would be returned to Congress separately for an override vote.

Last year, the Supreme Court struck down the line item veto on Constitutional grounds in a 6-3 decision. I was very saddened by this decision. Polls from previous years indicate that 83 percent of the American people support giving the President the line-item veto

authority. We need the line-item veto to restore balance to the federal budget process.

The Supreme Court struck down the 1996 Line-Item Veto Act on the basis that the Constitution requires every bill to be presented to the President for his approval or disapproval. In other words, the decision was not based on the concept that transferring power to the President of the United States lacked constitutionally, but the fact that bills are to be sent to the President for approval in their entirety.

Separate enrollment as a line-item veto tool is not a new concept. This concept is not controversial. The Senate adopted S. 4, a separate enrollment bill in the 104th Congress, by a vote of 69 to 29.

Legal scholars contend that the separate enrollment concept is constitutional. Congress has the right to present a bill to the President of the United States. Separate enrollment merely addresses the question of what constitutes a bill. It does not erode or interfere with the presentment of the bill to the President. Under the rule-making clause, Congress alone can determine the procedures for defining and enrolling a bill. Separate enrollment is constitutional and will clearly work.

Separate enrollment, as a line-item veto tool, will be a vital force in eliminating wasteful, unnecessary pork-barrel spending. Unfortunately, as we saw last year, pork-barrel spending is alive and well.

On October 21, 1998, Congress passed the FY 1999 Omnibus Appropriations Bill—the worst example of pork-barrel spending in my memory. This was a 4,000 page, 40-pound, non-amendable, budget-busting bill which provided over a half-trillion dollars to fund 10 Cabinet-level federal departments. The bill exceeded the budget ceiling by \$20 billion for what is euphemistically called emergency spending, much of which is really everyday, garden-variety, special-interest, pork-barrel spending, paid for by robbing billions from the budget surplus.

The omnibus spending bill made a mockery of the Congress' role in fiscal matters. It was a betrayal of our responsibility to spend the taxpayers' dollars wisely and enact laws and policies that reflect the best interests of all Americans, rather than the special interests of a few.

We cannot afford this magnitude of park-barrel spending when we have accumulated a multi-trillion dollar national debt. Right now, today, we use a huge portion of our federal budget to make the interest payments on the national debt. In fact, the annual interest payment almost equals the entire budget for national defense. We should be paying down the national debt, saving Social Security, and providing tax cuts for hard-working middle class Americans, not indulging in wasteful, unnecessary spending.

The objective of the Separate Enrollment bill, and the Line-Item Veto before it, is to curb wasteful pork-barrel

spending by giving the President the authority to eliminate individual spending items. The Separate Enrollment Act of 1999 will be our new tool to restore fiscal responsibility to the way we spend Americans' hard-earned dollars.

This is not a partisan issue. The issue is fiscal responsibility. We have a President, we have 100 Senators, and we have 435 Representatives. It is hard to place responsibility upon any one person for profligate spending. Thus, no one is accountable for our runaway budget process.

Past Presidents have sought the line-item veto. Congress finally agreed in 1996, when we passed the Line-Item Veto Act, to give the President the ability to surgically remove wasteful spending for appropriations and authorization bills. It would also establish greater accountability in the Executive branch for fiscal decisions and provide much-needed checks and balances on Congressional spending sprees.

Unfortunately when given the Line-Item Veto authority in 1997, the President failed to exercise the authority in a meaningful fashion. Of over \$8 billion in wasteful spending, he excised \$491 million from the annual appropriations bills. And then the Supreme Court struck the Line-Item Veto Act down.

Restoring this power this year in the form of the Separate Enrollment Act would if exercised responsibly by the President, reduce the excesses of the congressional budget process that focus on locality-specific earmarking and cater to special interests, not the national interest.

Mr. President, I simply ask my colleagues to be fair and reasonable when addressing the issue of fiscal responsibility. The line-item veto, in the form of separate enrollment, is vital to curbing wasteful pork-barrel spending and restoring the American people's respect for their elected representatives.

By Mr. LUGAR (for himself, Mr. ROBERTS, Mr. CRAIG, Mr. FITZGERALD, and Mr. COCHRAN):

S. 101. A bill to promote trade in United States agricultural commodities, livestock, and value-added products, and to prepare for future bilateral and multilateral trade negotiations; to the Committee on Finance.

UNITED STATES AGRICULTURAL TRADE ACT OF  
1999

Mr. LUGAR. Mr. President, I rise today to introduce legislation to open foreign markets for U.S. agricultural exports and raise the profile of agriculture in our nation's trade agenda. By enacting the 1996 FAIR Act, commonly known as Freedom to Farm, we gave farmers the right to make planting decisions themselves, free from government controls. But the FAIR Act is a compact. Freedom to Farm means freedom to sell. In exchange for phasing out subsidies, Congress promised its efforts to secure free, fair, and open markets for U.S. agricultural

products. The importance of exports to U.S. agriculture has never been greater. This legislation will improve opportunities, allowing us to take advantage of our dominant position in world food trade.

Each year, agricultural products make a positive contribution to our international balance of payments. No sector of the U.S. economy is more critically tied to international trade than agriculture. Approximately three out of ten acres of our agricultural production is exported. Farmers are reliant on the ability to export. We can only secure our farmers' and ranchers' future opportunities by removing trade barriers—those we impose on ourselves and those imposed by others.

Mr. President, this bill addresses several items, none of which is more important than sanctions reform. Unilateral economic sanctions often keep our farmers out of major markets. Such sanctions do not preclude the targeted country from buying agricultural commodities elsewhere. Rather, sanctions often have a more profound effect on our own country. U.S. competitors are often quick to offset the effect of our sanctions, in the process harming U.S. commercial interests. Contracts are lost and our status as a reliable business partner suffers. A cardinal test of foreign policy is to determine that, when we use sanctions internationally, our actions do less harm to ourselves than to others. Unilateral food sanctions fail that test.

Bans on food exports strike at the most basic human need, the availability of food. Authoritarian regimes can survive food sanctions. It is the people of these nations that suffer. The use of food as a weapon should, in most cases, be abandoned. This legislation exempts from unilateral economic sanctions humanitarian and commercial farm exports and gives the President the authority to waive the food exemption.

Mr. President, sanctions reform is only one aspect of improving market access. Significant tariff and non-tariff barriers still inhibit the free flow of agricultural goods. The World Trade Organization will hold an important meeting later this year in our own country. The talks which will commence at this meeting offer an important opportunity to expand overseas markets for our agricultural exports. One goal of this legislation is to achieve more fair and open conditions of trade, and the bill I introduce today provides important guidelines for these upcoming negotiations. It aims to open foreign markets and eliminate unfair and negative trade policy. Furthermore, a "special 301" provision for agriculture is included in this bill. This language is similar to S.219 which was introduced by Senator DASCHLE and Senator GRASSLEY in the 105th Congress and generated bi-partisan support within agriculture. It provides for an investigative process specifically tailored to agricultural trade. The U.S. Trade Representative will use this

process to identify those countries which employ unfair trade practices against U.S. agricultural commodities and value-added products. Once in place, remedies which level the playing field are provided. This authority is important as we strive to break down trade barriers and eliminate practices which foreign countries use to bar U.S. agricultural exports.

The most important thing we can give to farmers is the ability to export their products abroad. We can give to our farmers the enhanced ability to sell their products in existing and untapped markets. Mr. President, U.S. agriculture is the most productive in the world. This legislation will allow us to take advantage of that position. I ask unanimous consent that the legislation and a summary be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

S. 101

*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 "United States Agricultural Trade Act of 1999".

#### SEC. 2. OBJECTIVES FOR AGRICULTURAL NEGOTIATIONS.

It is the sense of Congress that the principal agricultural trade negotiating objectives of the United States for future multilateral and bilateral trade negotiations, including the World Trade Organization, shall be to achieve, on an expedited basis, and to the maximum extent feasible, more open and fair conditions for trade in agricultural commodities by—

(1) developing, strengthening, and clarifying rules for agricultural trade, including disciplines on restrictive or trade-distorting import and export practices, including—

(A) enhancing the operation and effectiveness of the relevant Uruguay Round Agreements designed to define, deter, and discourage the persistent use of unfair trade practices; and

(B) enforcing and strengthening rules of the World Trade Organization regarding—

(i) trade-distorting practices of state trading enterprises; and

(ii) the acts, practices, or policies of a foreign government which unreasonably—

(I) require that substantial direct investment in the foreign country be made as a condition for carrying on business in the foreign country;

(II) require that intellectual property be licensed to the foreign country or to any firm of the foreign country; or

(III) delay or preclude implementation of a report of a dispute panel of the World Trade Organization;

(2) increasing United States agricultural exports by eliminating barriers to trade (including transparent and nontransparent barriers);

(3) eliminating other specific constraints to fair trade and more open market access in foreign markets, such as export subsidies, quotas, and other nontariff import barriers;

(4) developing, strengthening, and clarifying rules that address practices that unfairly limit United States market access opportunities or distort agricultural markets to the detriment of the United States, including—

(A) unfair or trade-distorting activities of state trading enterprises and other administrative mechanisms that result in inadequate price transparency;

(B) unjustified restrictions or commercial requirements affecting new technologies, including biotechnology;

(C) unjustified sanitary or phytosanitary restrictions; and

(D) restrictive rules in the establishment and administration of tariff-rate quotas;

(5) ensuring that there are reliable suppliers of agricultural commodities in international commerce by encouraging countries to treat foreign buyers no less favorably than domestic buyers of the commodity or product involved; and

(6) eliminating barriers for meeting the food needs of an increasing world population through the use of biotechnology by ensuring market access to United States commodities derived from biotechnology that is scientifically defensible, opposing the establishment of protectionist trade measures disguised as health standards, and protesting continual delays by other countries in their approval processes—which constitute non-tariff trade barriers.

### SEC. 3. DEFINITIONS.

As used in this Act, the terms "agricultural commodity" and "United States agricultural commodity" have the meanings provided in section 102 (1) and (7) of the Agricultural Trade Act of 1978, respectively.

### SEC. 4. AGRICULTURAL COMMODITIES, LIVESTOCK, AND PRODUCTS EXEMPT FROM SANCTIONS.

(a) DEFINITION.—UNILATERAL ECONOMIC SANCTION.—The term "unilateral economic sanction" means any prohibition, restriction, or condition on economic activity, including economic assistance, with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other members of that regime have agreed to impose substantially equivalent measures.

#### (b) EXEMPTION.—

(1) IN GENERAL.—Subject to paragraph (2), and notwithstanding any other provision of law, in the case of a unilateral economic sanction imposed by the United States on another country, the following shall be exempt from the unilateral economic sanction—

(A) programs administered through Public Law 480 (7 U.S.C. 1701 et. seq.);

(B) programs administered through section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(C) the program administered through section 1113 of the Food Security Act of 1985 (7 U.S.C. 1736-1); and

(D) commercial sales and humanitarian assistance involving agricultural commodities.

(2) DETERMINATION BY PRESIDENT.—If the President determines that the exemption under paragraph (1) should not apply to the unilateral economic sanction for reasons of foreign policy or national security, the President may include the activities described in paragraph (1) in the unilateral economic sanction.

#### (c) CURRENT SANCTIONS.—

(1) IN GENERAL.—Subject to paragraph (2), the exemption under subsection (b) shall apply to unilateral economic sanctions that are in effect as of the date of enactment of this Act.

(2) PRESIDENTIAL REVIEW.—The President shall, within 90 days of the date of enactment of this Act, review all unilateral economic sanctions under this subsection to determine whether the exemption under subsection (b) should apply to the sanction.

(3) EFFECTIVE DATE.—The exemption under subsection (b) shall become effective for unilateral economic sanctions that are in effect

on the date of enactment of this Act 180 days after the date of enactment of this Act unless the President has determined that the exemption should not apply to the sanction.

#### (d) REPORT.—

(1) IN GENERAL.—If the President determines that the exemption under subsection (b) should not apply to a unilateral economic sanction, the President shall provide a report to the Committee on Agriculture in the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry in the Senate—

(A) in the case of a unilateral economic sanction reviewed under subsection (c), within 15 days from the date of the determination in paragraph (2) of that subsection; and

(B) in the case of a unilateral economic sanction that is imposed after the date of enactment of this Act, at the time of the imposition of the sanction.

(2) CONTENTS OF REPORT.—The report shall contain—

(A) an explanation why, because of reasons of foreign policy or national security, the exemption should not apply to the unilateral economic sanction; and

(B) an assessment by the Secretary of Agriculture—

(i) regarding export sales—

(I) in the case of a sanction in effect as of the date of enactment of this Act, whether markets in the sanctioned country or countries present a substantial trade opportunity for export sales of a United States agricultural commodity; or

(II) in the case of any other sanction, the extent to which any country or countries to be sanctioned or likely to be sanctioned are markets that accounted for, in the preceding calendar year, more than 3 percent of all export sales from the United States of an agricultural commodity;

(ii) regarding the effect on United States agricultural commodities—

(I) in the case of a sanction in effect as of the date of enactment of this Act, the potential for exports of United States commodities in the sanctioned country or countries; and

(II) in the case of any other sanction, the likelihood that exports of agricultural commodities from the United States will be affected by the unilateral economic sanction or by retaliation by any country to be sanctioned or likely to be sanctioned, and specific commodities which are most likely to be affected;

(iii) regarding producer income—

(I) in the case of a sanction in effect as of the date of enactment of this Act, the potential for increasing the income of producers of the commodities involved; and

(II) in the case of any other sanction, the likely effect on incomes of producers of the commodities involved;

(iv) regarding displacement of United States suppliers—

(I) in the case of a sanction in effect as of the date of enactment of this Act, the potential for increased competition for United States suppliers of the agricultural commodity in countries that are not subject to a sanction; and

(II) in the case of any other sanction, the extent to which the unilateral economic sanction would permit foreign suppliers to replace United States suppliers; and

(v) regarding the reputation of United States farmers as reliable suppliers—

(I) in the case of a sanction in effect as of the date of enactment of this Act, whether removing the sanction would increase the reputation of United States farmers as reliable suppliers of agricultural commodities in general, and of specific commodities identified by the Secretary; and

(II) in the case of any other sanction, the likely effect of the proposed sanction on the

reputation of United States farmers as reliable suppliers of agricultural commodities in general, and of specific commodities identified by the Secretary.

(e) EFFECTIVE DATE.—Except as provided in subsection (c)(3), this section shall become effective upon the date of enactment of this Act.

### SEC. 5. CONGRESSIONAL OVERSIGHT AND CONSULTATION FOR AGRICULTURAL NEGOTIATIONS.

Section 161 of the Trade Act of 1974 (19 USC 2211) is amended by adding at the end a new subsection (d) that reads as follows—

"(d) CONGRESSIONAL OVERSIGHT GROUP FOR AGRICULTURAL NEGOTIATIONS.—

"(1) There is established a Congressional Oversight Group for Agricultural Negotiations (Oversight Group) that shall provide oversight and guidance with respect to agricultural trade policy and negotiation of agricultural trade issues.

"(A) Subject to clauses (i) and (ii), the Oversight Group shall consist of 3 members of the Committee on Agriculture, Nutrition, and Forestry of the Senate and 3 members of the Committee on Agriculture of the House of Representatives.

"(i) The President pro tempore of the Senate, upon the recommendation of the Chairman of the Committee on Agriculture, Nutrition, and Forestry, shall select two members from the majority party, and one member from the minority party, of the Senate.

"(ii) The Speaker of the House of Representatives, upon the recommendation of the Chairman of the Committee on Agriculture, shall select 2 members from the majority party, and one member from the minority party, of the House of Representatives.

"(B) Members of the House and Senate who are selected as members of the Oversight Group shall be accredited by the United States Trade Representative as official advisers to the United States delegations to international conferences, meetings, and negotiating sessions relating to agricultural trade policy and negotiation of agricultural trade issues.

"(2) All negotiating proposals by the United States and negotiations that affect agricultural trade shall be reviewed by the Oversight Group prior to an agreement being initiated by the President.

"(3) All information about negotiating proposals by the United States and foreign countries affecting agricultural trade negotiations shall be made available to the Oversight Group by the United States Trade Representative.

"(4) Within 60 days of enactment of this Act, the United States Trade Representative shall establish guidelines for ensuring the useful and timely supply of information to the Oversight Group and the communication of the oversight and guidance by the Oversight Group to the United States Trade Representative.

"(A) The guidelines shall establish procedures for the United States Trade Representative to provide to the Oversight Group—

"(i) information regarding the principal multilateral and bilateral negotiating objectives affecting agricultural trade, and the progress being made toward their achievement;

"(ii) information regarding the implementation, administration, and effectiveness of recently concluded multilateral and bilateral agricultural trade agreements and the resolution of agricultural trade disputes;

"(iii) a schedule for an initial meeting, prior to the commencement of negotiations involving agricultural trade, between the Oversight Group and the United States Trade Representative, about the objectives of the negotiations;

"(iv) written or oral briefings about the status of ongoing negotiations involving agricultural trade;

"(v) prior to the President initialing the trade agreement, written or oral briefings about the results of negotiations involving agricultural trade;

"(vi) information about changes in United States laws that are necessary as a result of the negotiations; and

"(vii) a schedule and procedure for the Oversight Group to provide advice and guidance to the United States Trade Representative regarding—

"(I) the negotiations involving agricultural trade; and

"(II) changes in United States laws that are necessary as a result of the negotiations.

"(B) The United States Trade Representative shall meet with the Oversight Group at a minimum on a quarterly basis, and as needed during a negotiation involving agricultural trade.

"(C) If determined necessary by either party, consultations between the Oversight Group and the United States Trade Representative may be conducted in executive session.

#### **SEC. 6. SALE OR BARTER OF FOOD ASSISTANCE.**

It is the sense of Congress that the amendment to section 203 of the Agricultural Trade Development and Assistance Act of 1954 (Pub. L. 480) made in section 208 of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 101-127) was intended to allow the sale or barter of United States agricultural commodities included in United States food assistance only within the recipient country or countries adjacent to the recipient country, unless such sale or barter within the recipient country or adjacent countries—

(1) is not practicable; and

(2) will not disrupt commercial markets for the agricultural commodity involved.

#### **SEC. 7. TREATMENT OF UNITED STATES AGRICULTURAL COMMODITIES, LIVESTOCK, AND AGRICULTURAL PRODUCTS.**

(a) IDENTIFICATION REQUIRED.—Chapter 8 of title I of the Trade Act of 1974 is amended by adding at the end the following:

##### **"SEC. 183. IDENTIFICATION OF COUNTRIES THAT ENGAGE IN UNFAIR TRADE PRACTICES AFFECTING UNITED STATES AGRICULTURAL COMMODITIES.**

"(a) IN GENERAL.—Not later than the date that is 30 days after the date on which the annual report is required to be submitted to Congressional committees under section 181(b), the United States Trade Representative (hereafter in this section referred to as the 'Trade Representative') shall identify—

"(1) those foreign countries that—

"(A) deny fair and equitable market access to United States agricultural commodities through discriminatory nontariff trade barriers;

"(B) employ unfair export subsidies that adversely affect market share of United States exports of agricultural commodities; or

"(C) unreasonably delay or preclude implementation of a report of a dispute panel of the World Trade Organization; or

"(2) those foreign countries identified under paragraph (1) that are determined by the Trade Representative to be priority foreign countries.

"(b) SPECIAL RULES FOR IDENTIFICATION.—

"(1) CRITERIA.—In identifying priority foreign countries under subsection (a)(2), the Trade Representative shall only identify those foreign countries that—

"(A) engage in or have the most onerous or egregious acts, policies, or practices that

deny fair and equitable market access to United States agricultural commodities;

"(B) engage in discriminatory nontariff trade barriers for the importation of United States agricultural commodities that are not based on public health concerns or cannot be substantiated by reliable analytical methods;

"(C) use unfair export subsidies;

"(D) unreasonably delay or preclude implementation of a report of a dispute panel of the World Trade Organization;

"(E) whose acts, policies, or practices described in subparagraphs (A)-(D) have the greatest adverse impact (actual or potential) on the relevant United States agricultural commodities; or

"(F) that are not negotiating in good faith about adopting fair and equitable trade practices, or making significant progress in bilateral or multilateral negotiations, in regards to United States agricultural commodities.

"(2) CONSULTATION AND CONSIDERATION REQUIREMENTS.—In identifying priority foreign countries under subsection (a)(2), the Trade Representative shall—

"(A) consult with the Secretary of Agriculture and other appropriate officers of the Federal Government; and

"(B) take into account information from such sources as may be available to the Trade Representative and such information as may be submitted to the Trade Representative by interested persons, including information contained in reports submitted under section 181(b) and petitions submitted under section 302.

"(3) FACTUAL BASIS REQUIREMENT.—The Trade Representative may identify a foreign country under subsection (a)(1) only if the Trade Representative finds that there is a factual basis for identifying the foreign country as engaging in a trade practice under subsection (a)(1).

"(4) CONSIDERATION OF HISTORICAL FACTORS.—In identifying foreign countries under paragraphs (1) and (2) of subsection (a), the Trade Representative shall take into account—

"(A) the history of agricultural trade relations with the foreign country, including any previous identification under subsection (a)(2); and

"(B) the history of efforts of the United States, and the response of the foreign country, to achieve fair trade practices affecting trade in United States agricultural commodities.

"(c) REVOCATIONS AND ADDITIONAL IDENTIFICATIONS.—

"(1) AUTHORITY TO ACT AT ANY TIME.—If information available to the Trade Representative indicates that such action is appropriate, the Trade Representative may at any time—

"(A) revoke the identification of any foreign country as a priority foreign country under this section; or

"(B) identify any foreign country as a priority foreign country under this section.

"(2) REVOCATION REPORTS.—The Trade Representative shall include in the semiannual report submitted to the Congress under section 309(3) a detailed explanation of the reasons for the revocation under paragraph (1) of the identification of any foreign country as a priority foreign country under this section.

"(d) DEFINITIONS.—For purposes of this section, the terms "agricultural commodity" and "United States agricultural commodity" have the meanings provided in section 102 (1) and (7) of the Agricultural Trade Act of 1978, respectively.

"(e) PUBLICATION.—The Trade Representative shall publish in the Federal Register a

list of foreign countries identified under subsection (a) and shall make such revisions to the list as may be required by reason of the action under subsection (c).

"(f) ANNUAL REPORT.—The Trade Representative shall, not later than the date by which countries are identified under subsection (a), transmit to the Committee on Ways and Means and the Committee on Agriculture of the House of Representatives and the Committee on Finance and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report on the actions taken under this section during the 12 months preceding such report, and the reasons for such actions, including a description of progress made in achieving fair and equitable market access for United States agricultural commodities.

(b) REMEDIAL ACTIONS TO UNFAIR TRADE PRACTICES INVOLVING UNITED STATES AGRICULTURAL COMMODITIES, LIVESTOCK, AND AGRICULTURAL PRODUCTS.—

(1) Section 301 of the Trade Act of 1974 (19 U.S.C. 2411) is amended—

(A) in subsection (a)(1) by inserting "section 183(a) or" after "determines under";

(B) in subsection (b) by inserting "section 183(a) or" after "determines under";

(C) in subsection (c)(1)—

(i) in subparagraph (C) by striking "section; or" and inserting "section;"

(ii) in subparagraph (D) by striking "paragraph (4)." and inserting "paragraph (4); or"; and

(iii) by adding a new subparagraph (E) that reads as follows:

"(E) with respect to an investigation of a country identified under section 183(a)—

"(I) take any action authorized under this subsection; and

"(II) to request that the Secretary of Agriculture target the use of existing United States export programs that are administered within the Department of Agriculture to the commodity that is subject to the unfair trade practice by the priority foreign country.

(c) CLERICAL AMENDMENT.—The table of contents for the Trade Act of 1974 is amended by inserting after the item relating to section 182 the following:

"Sec. 183. Identification of Countries That Engage in Unfair Trade Practices Affecting United States Agricultural Commodities."

(d) INVESTIGATION REQUIRED.—Subparagraph (A) of section 302(b)(2) of the Trade Act of 1974 (19 U.S.C. 2412(b)(2)(A)) is amended by inserting "or 183(a)(2)" after "section 182(a)(2)" in the matter preceding clause (i).

(e) CONFORMING AMENDMENTS.—

(1) Subparagraph (D) of section 302(b)(2) of such Act is amended by inserting "concerning intellectual property rights that is" after "any investigation".

(2) Subparagraph (B) of section 304(a)(3) of such Act is amended—

(A) by striking "or" at the end of clause (ii);

(B) by inserting "or" at the end of clause (iii); and

(C) by inserting immediately after clause (iii) the following new clause:

"(iv) the foreign country involved in the investigation is making substantial progress in drafting or implementing legislative or administrative measures that ensure the country engages in fair and equitable trade practices affecting United States agricultural commodities."

#### **SEC. 8. REALLOCATION OF UNOBLIGATED FUNDS.**

(a) IN GENERAL.—The Secretary of Agriculture shall, on or about April 1 and July 1

of each fiscal year determine whether unobligated funds exist out of funds made available for the fiscal year for the Export Enhancement Program.

(b) Transfer to Food Assistance.

The Secretary may, on or about April 1 and July 1 of each fiscal year, with respect to any unobligated funds identified under subsection (a), apply the funds to—

(1) one or more of the programs administered through Public Law 480 (7 U.S.C. 1701 et. seq.);

(2) the purchase of agricultural commodities for donation through one of the programs administered through section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431); and

(3) programs administered through Title II of the Trade Act of 1978 (7 U.S.C. 5621-5641).

(c) Use Within Same Fiscal Year. All funds identified under subsection (a) shall be obligated within the same fiscal year. Such funds may not be transferred under subsection (b) in a fiscal year subsequent to the fiscal year of the determination in subsection (a).

#### SUMMARY OF THE UNITED STATES AGRICULTURAL TRADE ACT OF 1999

1. Goals for Trade Negotiations—United States objectives for future multilateral and bilateral trade negotiations affecting agriculture, including the World Trade Organization (WTO), are to—increase market access for United States agricultural commodities, livestock, and value-added products, particularly for new products derived from biotechnology; eliminate nontariff import barriers such as quotas, discriminatory tariff-rate quotas, and unjustified sanitary and phytosanitary restrictions; eliminate export subsidies; eliminate trade-distorting practices of state trading enterprises; enforce current WTO rules and develop new rules that allow increased market access; and strengthen rules for implementing WTO dispute panel decisions.

2. Sanctions Reform—International trade in United States agricultural commodities, livestock, value-added products, and food assistance, are exempted from unilateral economic sanctions imposed by the United States, if the transaction entails commercial sales or humanitarian assistance involving agricultural products.

If the President determines that this exemption should not apply to a current or future sanction because of foreign policy or national security considerations, the President can override the exemption. The President and the Secretary of Agriculture must provide a report to Congress for each sanction for which the President determines the exemption should not apply.

3. Congressional Agricultural Oversight Group—A Congressional Oversight Group, made up of House and Senate Agriculture Committee members, is established as a consulting and advisory group with the United States Trade Representative for future WTO and other multilateral and bilateral trade negotiations.

4. Food Assistance Resolution—A Sense of Congress resolution regarding the monetization of agricultural commodities in United States food assistance is included. The 1996 Farm Bill allowed such monetization. The resolution states that monetization should occur only in the recipient country or in adjacent countries, unless this is not practicable.

5. Super 301 for Agriculture—A procedure is established within the Office of the United States Trade Representative to identify countries that engage in unfair trade practices against U.S. agricultural commodities, livestock, and value-added products. Unfair

trade practices in this context are discriminatory nontariff trade barriers, unfair export subsidies, and refusal by a country to implement a decision of a WTO dispute panel. This procedure parallels an investigative procedure that exists in current U.S. trade law for all U.S. products. If the Trade Representative makes such a determination, the Trade Representative is authorized to adopt remedies already provided in United States trade law, and the Secretary of Agriculture has the discretion to target the use of existing export programs within USDA to the commodity that is subject to the unfair trade practice.

6. Commodity Program Reallocation—The Secretary of Agriculture, for each fiscal year, is given the discretion to reallocate unobligated funds of the Export Enhancement Program to one of the Public Law 480 food assistance programs, the Food for Progress program, or one of the section 416 commodity donation programs. All affected funds must be obligated within the same fiscal year.

By Mr. ABRAHAM:

S. 102. A bill to provide that the Secretary of the Senate and the Clerk of the House of Representatives shall include an estimate of Federal retirement benefits for each Member of Congress in their semiannual reports, and for other purposes; to the Committee on Governmental Affairs.

#### THE CONGRESSIONAL PENSION DISCLOSURE ACT OF 1999

Mr. ABRAHAM. Mr. President, I rise today to introduce the Congressional Pension Disclosure Act of 1999 which would require the Secretary of the Senate and the Clerk of the House of Representatives to disclose information relating to the pensions of Members of Congress. This legislation would require these officers to include in their semiannual reports to Congress detailed information relating to the Members pensions. The semiannual reports would then be available to the public for inspection.

The reports would include the individual pension contributions of Members; an estimate of annuities which they would receive based on the earliest possible date they would be eligible to receive annuity payments by reason of retirement; and any other information necessary to enable the public to accurately compute the Federal retirement benefits of each Member based on various assumptions of years of service and age of separation from service by reason of retirement.

The purpose of this legislation is to afford citizens their rightful opportunity to learn how public funds are being utilized. The taxpayers are not only entitled to know the various forms of compensation their elected officials are being paid, they are also entitled to make decisions about the reasonableness of such compensation.

My bill would make this information conveniently available to the public. I believe that this bill would eliminate the present shroud of secrecy which has surrounded the congressional pension system and give the public better access to information regarding their representatives in Congress.

I ask unanimous consent that the bill and section by section analysis be printed in the CONGRESSIONAL RECORD.

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

S. 102

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

#### SECTION 1. DISCLOSURE OF ESTIMATES OF FEDERAL RETIREMENT BENEFITS OF MEMBERS OF CONGRESS.

(a) IN GENERAL.—Section 105(a) of the Legislative Branch Appropriations Act, 1965 (2 U.S.C. 104a; Public Law 88-454; 78 Stat. 550) is amended by adding at the end the following new paragraph:

“(4) The Secretary of the Senate and the Clerk of the House of Representatives shall include in each semiannual report submitted under paragraph (1), with respect to Members of Congress, as applicable—

“(A) the total amount of individual contributions made by each Member to the Civil Service Retirement and Disability Fund and the Thrift Savings Fund under chapters 83 and 84 of title 5, United States Code, for all Federal service performed by the Member as a Member of Congress and as a Federal employee;

“(B) an estimate of the annuity each Member would be entitled to receive under chapters 83 and 84 of such title based on the earliest possible date to receive annuity payments by reason of retirement (other than disability retirement) which begins after the date of expiration of the term of office such Member is serving; and

“(C) any other information necessary to enable the public to accurately compute the Federal retirement benefits of each Member based on various assumptions of years of service and age of separation from service by reason of retirement.”.

(b) EFFECTIVE DATE.—This section shall take effect 1 year after the date of the enactment of this Act.

#### SECTION-BY-SECTION ANALYSIS OF THE CONGRESSIONAL PENSION DISCLOSURE ACT OF 1999

#### A BILL TO PUBLICLY DISCLOSE FEDERAL RETIREMENT BENEFITS OF MEMBERS OF CONGRESS

##### Section 1 (a). Amending legislation.

This section provides that Section 105(a) of the Legislative Branch Appropriations Act of 1965 is amended to add the following new paragraph:

“The Secretary of the Senate and the Clerk of the House of Representatives shall include in each semiannual report submitted under paragraph (1), with respect to Members of Congress, as applicable:”

##### Section 1 (A). Contributions to retirement funds.

The semiannual report would state the total amount of contributions many by each Member to the Federal retirement plans (FERS or CSRS) while they performed Federal service as a Member of Congress and/or a Federal employee.

##### Section 1 (B). Estimate of annuity.

The semiannual report would include an estimate of the annuity each member would be entitled to receive—based upon the earliest possible date of retirement (other than disability retirement). This would be calculated based upon the expiration of the term of office the Member is serving.

##### Section 1 (C). Additional information.

Included in the semiannual report would be any additional information that would help the public accurately compute the Federal

retirement benefits of members based on years of service and age of separation from service by reason of retirement.

Section 1(b). Effective date.

The bill would take effect 1 year after the date of enactment.

By Mr. ALLARD (for himself and Mr. ENZI):

S. 103. A bill to amend the Internal Revenue Code of 1986 to eliminate the temporary increase in unemployment tax; to the Committee on Finance.

LEGISLATION TO REPEAL THE TEMPORARY  
UNEMPLOYMENT SURTAX

Mr. ALLARD. Mr. President, today I introduce legislation to repeal the "temporary" 0.2 percent Federal Unemployment Tax (FUTA) surtax.

The "temporary" surtax was enacted in 1976 by Congress to repay the general fund of the Treasury for funds borrowed by the unemployment trust fund. Although the borrowings were repaid in 1987, Congress has continued to extend the surtax in tax bill after tax bill.

Since 1987, Congress has used extension of the surtax to help raise revenue to pay for tax packages. In fact, the surtax was most recently extended to help pay for the 1997 tax bill. The tax takes money out of the private economy for no valid reason.

By repealing the surtax, Congress will honor a promise that it made when the surtax was first enacted. Small businesses were told repeatedly that the tax was temporary and would be repealed when it was no longer needed to finance the unemployment tax system. Clearly a tax is not temporary when it has already been in place for over twenty years. I would suggest at a minimum that if we are going to keep extending this tax, that we be honest with the American worker and small business owner and stop calling this tax "temporary."

Based on the original purpose, the surtax is no longer needed. The economy is experiencing the highest level of employment in decades, and all state unemployment funds have surpluses. It is inappropriate for the government to continue to raise excess unemployment taxes and then use the surplus for purposes completely unrelated to unemployment.

Repeal of the temporary unemployment surtax will also be beneficial to small businesses. The surtax is especially hard on the small businesses because they are often labor intensive. Any payroll tax is added directly to the employer's payroll costs. In fact, according to the National Federation of

Independent Business, payroll taxes are the fastest growing federal tax burden on small business. It is also important to note that the payroll taxes must be paid whether the business experiences a profit or a loss.

As a former small businessman myself, I am particularly aware of this fact. I suspect that my view is similar to the view of many small business owners. It is one thing to have a surtax when unemployment is high and the surtax is necessary. However, it is totally unjustified when unemployment is at the lowest level in three decades.

Repeal of the 0.2 percent surtax will reduce the tax burden on employers and workers by \$6 billion over the next five years.

Lower payroll taxes mean higher wages for workers. Although the employer appears to fully pay for the unemployment surtax and other payroll taxes, the economic evidence is strong that the cost is actually passed to workers in the form of lower wages.

Consistent tax relief will help to ensure that our economy remains the strongest and most vibrant in the world. Low taxes reduce unemployment and help ensure that future surtaxes are unnecessary.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, an editorial from the Wall Street Journal, and several charts that demonstrate the surpluses in each state fund be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

S. 103

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

**SECTION. 1 REPEAL OF TEMPORARY UNEMPLOYMENT TAX.**

Section 3301 of the Internal Revenue Code of 1986 (relating to rate of unemployment tax) is amended—

(1) by striking "2007" in paragraph (1) and inserting "1999"; and

(2) by striking "2008" in paragraph (2) and inserting "2000".

[From the Wall Street Journal, Dec. 28, 1998]

**FUTURE**

The nation's secondary schools are gearing up to spend several hundred million in federal grants on "school to work" programs that purport to reduce youth unemployment. Indeed, under the 1993 School to Work Act, federal and state bureaucrats are running around the country like so many job fairies "creating" employment with a wave of the bureaucratic wand. If job growth is really what the government is after though, we know a simpler way to achieve it: kill off FUTA.

Employers know FUTA as the 0.8% payroll tax they must pay to Washington on the first \$7,000 of every employee's wages. But this ridiculous-sounding levy—the letters stand for Federal Unemployment Tax Act—is more than just another troubling mandate. It is an object lesson in how a federal employment program can run amok.

When lawmakers originally imposed the tax to build a network of unemployment services in 1939, they were responding to an extraordinary problem: joblessness ranged close to 18%. Yet long after the Depression faded, FUTA remained on the books.

Like most other New Deal acronyms, FUTA achieved tax immortality, surviving decades of prosperity. The mid-1970's spike in unemployment created an excuse to "temporarily" increase FUTA rates. Needless to say, that increase was never reversed. Indeed, the third largest tax hike in the Taxpayer Relief Act of 1997 was an extension of a FUTA surtax to 2007. Today, joblessness is at a historic low. Yet FUTA tax rates are higher than they were in 1975, when unemployment was 8.5%.

Then there's the question of what FUTA revenues actually pay for. FUTA isn't supposed to do anything as useful as pay unemployment benefits to workers who have been laid off. Employers are the ones who have to do that. No, FUTA money is earmarked toward salaries for bureaucrats in state unemployment offices. This is a dubious project in any era, and an absurd one in a time of worker shortage like this one.

And here's the kicker: Much of the FUTA money doesn't even make it to these superfluous employment offices. Mark Wilson of the Heritage Foundation found that little more than half of the \$6.1 billion in FUTA revenues collected in 1997 ended up being spent on FUTA's official mandate. The rest of the money went straight to the federal government's "general revenues," traded against Treasury IOUs. In other words, right into the government's maw.

Washington robs FUTA in the same way it steals money from Social Security's trust fund till. As the years pass, of course, the burgeoning economy is making FUTA an even better cash machine. Today the FUTA trust fund contains \$23.1 billion, about double what it held just three years ago. No wonder lawmakers get all sanctimonious about FDR when the topic of limiting FUTA comes up.

This is a shame, since FUTA does indeed kill more jobs than it finds. The FUTA tax, like Social Security, the minimum wage, or other mandates, hits businesses on the margin, where additional work is created. In times of downsizing, as we saw in the early 1990s, these bugaboos drive layoffs.

The National Federation of Independent Business, a small business lobby, lists FUTA as one of the big employment burdens. FUTA also punishes workers who do have jobs, since employers pass along the costs to them in the form of lower wages. Sen. Wayne Allard (R., Colo.) has put forward legislation to pare FUTA. It is a reform long past due.

STATE UNEMPLOYMENT COMPENSATION SYSTEM RESERVES AND RATIO OF RESERVES TO TOTAL WAGES BY STATE AND YEAR, 1991-1995

State	Net reserves as of Dec. 31 of each year (thousands)					Ratio of year-end reserves to total wages (percent)				
	1995	1994	1993	1992	1991	1995	1994	1993	1992	1991
Alabama	\$534,470	\$551,842	\$570,118	\$550,280	\$585,725	1.61	1.77	1.94	1.96	2.24
Alaska	201,017	210,563	232,911	232,320	243,155	3.56	3.81	4.32	4.57	4.98
Arizona	534,640	432,449	368,782	372,423	437,667	1.48	1.33	1.26	1.36	1.71
Arkansas	200,866	169,795	134,432	81,340	103,629	1.12	1.02	0.87	0.55	0.76
California	2,104,220	2,092,695	2,450,402	2,786,713	4,190,197	0.68	0.72	0.87	0.99	1.52
Colorado	480,582	434,482	390,435	339,246	312,036	1.22	1.21	1.15	1.10	1.09
Connecticut	116,692	3,311	1,062	(653,215)	(353,767)	0.27	0.01	0.00	0.00	0.00
Delaware	271,807	244,013	225,943	218,719	223,685	3.24	3.14	3.05	3.04	3.20



## STATE UNEMPLOYMENT COMPENSATION SYSTEM RESERVES AND RATIO OF RESERVES TO TOTAL WAGES BY STATE AND YEAR, 1991–1995—Continued

State	Net reserves as of Dec. 31 of each year (thousands)					Ratio of year-end reserves to total wages (percent)				
	1995	1994	1993	1992	1991	1995	1994	1993	1992	1991
District of Columbia	68,636	41,141	5,937	(19,286)	12,465	0.57	0.35	0.05	0.00	0.12
Florida	1,806,432	1,621,614	1,505,570	1,443,603	1,691,814	1.53	1.47	1.45	1.47	1.84
Georgia	1,453,118	1,281,507	1,094,999	965,870	962,324	2.03	1.95	1.79	1.68	1.81
Hawaii	213,496	232,859	310,155	362,123	420,991	2.07	2.26	3.01	3.57	4.39
Idaho	243,090	245,096	247,823	240,141	243,573	2.88	3.14	3.49	3.67	4.09
Illinois	1,629,210	1,247,066	851,918	847,622	1,172,283	1.22	0.99	0.71	0.74	1.08
Indiana	1,228,070	1,132,343	1,024,658	941,632	899,139	2.16	2.11	2.05	1.99	2.02
Iowa	725,149	708,450	655,066	615,474	594,626	3.10	3.23	3.20	3.16	3.27
Kansas	704,008	735,717	658,053	605,827	571,904	2.77	3.20	3.03	2.89	2.91
Kentucky	470,826	425,682	402,311	364,287	357,940	1.61	1.55	1.57	1.49	1.58
Louisiana	1,003,378	868,819	689,382	600,917	559,975	3.15	2.92	2.47	2.22	2.15
Maine	95,289	74,621	51,403	35,108	77,553	1.06	0.87	0.62	0.44	1.01
Maryland	605,415	408,994	219,071	145,839	224,970	1.36	0.96	0.54	0.37	0.59
Massachusetts	527,273	184,933	(115,987)	(379,918)	(234,742)	0.70	0.26	0.00	0.00	0.00
Michigan	1,497,688	866,906	364,530	(72,492)	(166,509)	1.45	0.90	0.42	0.00	0.00
Minnesota	459,621	369,776	257,584	224,091	309,473	0.94	0.80	0.59	0.54	0.80
Mississippi	551,318	490,392	410,259	345,352	348,593	3.19	2.98	2.74	2.48	2.69
Missouri	196,933	118,466	(7,749)	3,101	199,473	0.40	0.26	0.00	0.00	0.30
Montana	122,242	110,910	104,415	96,370	91,119	2.08	1.95	1.91	1.87	1.91
Nebraska	194,283	188,365	171,938	160,713	146,184	1.45	1.51	1.49	1.46	1.42
Nevada	297,866	289,804	238,398	233,667	295,919	1.69	1.70	1.68	1.79	2.46
New Hampshire	250,884	211,580	164,455	129,582	127,995	2.25	2.06	1.71	1.38	1.46
New Jersey	1,987,790	1,947,033	1,965,236	2,439,970	2,564,278	2.06	2.12	2.23	2.86	3.16
New Mexico	354,874	317,264	271,194	238,999	220,932	3.25	3.13	2.91	2.77	2.73
New York	248,978	190,467	129,409	213,914	1,191,450	0.12	0.10	0.07	0.12	0.69
North Carolina	1,531,117	1,555,329	1,514,674	1,387,170	1,373,719	2.27	2.49	2.60	2.52	2.70
North Dakota	57,415	58,641	56,267	50,306	50,914	1.41	1.55	1.59	1.51	1.64
Ohio	1,600,533	1,166,837	845,054	602,464	647,410	1.46	1.13	0.88	0.65	0.74
Oklahoma	521,683	474,866	437,800	418,907	426,398	2.32	2.21	2.13	2.10	2.24
Oregon	905,985	994,533	1,096,695	1,054,524	1,043,810	3.21	3.86	4.63	4.71	4.98
Pennsylvania	1,914,777	1,518,999	1,105,425	807,828	1,155,988	1.78	1.48	1.12	0.84	1.26
Puerto Rico	634,291	674,663	730,873	749,255	750,020	6.71	7.54	8.39	9.05	9.64
Rhode Island	110,086	119,262	119,294	104,498	143,617	1.33	1.51	1.56	1.41	2.03
South Carolina	556,650	502,237	467,494	433,442	455,097	1.84	1.79	1.77	1.73	1.92
South Dakota	51,622	51,208	49,773	50,416	49,701	1.09	1.16	1.23	1.34	1.45
Tennessee	822,821	747,477	672,261	603,130	612,653	1.66	1.62	1.58	1.50	1.67
Texas	584,866	480,322	445,633	586,472	942,734	0.34	0.30	0.30	0.41	0.69
Utah	468,030	411,411	366,524	342,146	327,893	2.93	2.86	2.82	2.83	2.96
Vermont	206,720	195,418	183,025	180,730	192,675	4.51	4.51	4.37	4.49	5.05
Virginia	788,787	658,588	553,441	506,641	591,166	1.27	1.13	1.01	0.97	1.19
Virgin Islands	40,064	40,843	51,575	47,416	43,241	6.86	6.67	6.60	7.32	7.31
Washington	1,417,701	1,565,417	1,743,146	1,766,006	1,707,604	2.93	3.45	4.05	4.18	4.40
West Virginia	164,036	161,671	154,512	140,517	157,124	1.44	1.47	1.49	1.38	1.62
Wisconsin	1,503,641	1,400,119	1,241,918	1,194,553	1,171,822	3.06	3.03	2.87	2.90	3.07
Wyoming	142,310	136,755	127,332	109,826	98,952	4.22	4.15	4.08	3.71	3.48
Total	35,403,296	31,343,551	28,187,816	27,111,772	31,494,605	1.40	1.32	1.25	1.25	1.49

Difference between detail and totals due to rounding 1995 data subject to revision. Ratio of reserves to wages not calculated for States with negative balances.  
Source: U.S. Department of Labor. Prepared by the National Foundation for U.C. & W.C., June 1997.

## FINANCIAL INFORMATION BY STATE FOR CY96.4, 1996

State	Revenue (12 mos) (in thousands)	TF Balance (in thousands)	Mos. in TF	Total loans (in thousands)	Loans/cov. employee
Alabama	134,029	483,472	27.3	0	0.00
Alaska	109,089	194,188	19.8	0	0.00
Arizona	223,143	627,059	46.3	0	0.00
Arkansas	169,670	202,784	13.0	0	0.00
California	3,590,823	2,877,452	11.7	0	0.00
Colorado	187,897	510,956	32.5	0	0.00
Connecticut	592,538	277,861	7.4	0	0.00
Delaware	68,409	258,468	31.9	0	0.00
Dist. of Colum	133,380	99,368	12.2	0	0.00
Florida	677,796	1,947,557	35.2	0	0.00
Georgia	382,294	1,634,073	67.0	0	0.00
Hawaii	179,540	211,267	13.3	0	0.00
Idaho	105,900	266,228	32.1	0	0.00
Illinois	1,199,050	1,638,560	15.2	0	0.00
Indiana	238,343	1,273,086	58.0	0	0.00
Iowa	133,905	718,845	45.9	0	0.00
Kansas	42,487	651,074	52.6	0	0.00
Kentucky	234,997	501,304	25.7	0	0.00
Louisiana	204,469	1,131,052	94.7	0	0.00
Maine	122,601	112,122	12.5	0	0.00
Maryland	421,722	690,786	22.9	0	0.00
Massachusetts	1,130,136	914,631	14.0	0	0.00
Michigan	1,233,803	1,830,928	21.8	0	0.00
Minnesota	386,523	513,033	16.4	0	0.00
Mississippi	99,520	553,222	50.0	0	0.00
Missouri	381,576	307,507	12.8	0	0.00
Montana	58,841	125,900	24.9	0	0.00
Nebraska	41,748	195,210	44.8	0	0.00
Nevada	177,064	348,278	28.6	0	0.00
New Hampshire	41,781	268,011	91.7	0	0.00
New Jersey	1,448,896	2,028,818	13.1	0	0.00
New Mexico	85,729	385,531	59.6	0	0.00
New York	2,211,440	470,400	2.8	0	0.00
North Carolina	113,075	1,355,565	39.6	0	0.00
North Dakota	24,364	50,072	19.1	0	0.00
Ohio	781,640	1,750,968	28.8	0	0.00
Oklahoma	128,728	563,895	64.3	0	0.00
Oregon	384,064	941,419	28.9	0	0.00
Pennsylvania	1,612,406	2,031,947	14.9	0	0.00
Puerto Rico	149,262	595,703	31.8	0	0.00
Rhode Island	184,004	116,240	7.4	0	0.00
South Carolina	208,829	603,410	36.2	0	0.00
South Dakota	12,291	49,542	39.9	0	0.00
Tennessee	284,220	826,526	30.8	0	0.00
Texas	1,014,460	642,233	7.7	0	0.00
Utah	96,262	523,880	89.2	0	0.00
Vermont	48,595	218,259	49.5	0	0.00
Virginia	260,890	897,198	55.4	0	0.00
Virgin Islands	9,345	42,069	51.5	0	0.00
Washington	644,606	1,332,508	19.7	0	0.00
West Virginia	130,182	157,345	12.8	0	0.00

## FINANCIAL INFORMATION BY STATE FOR CY96.4, 1996—Continued

State	Revenue (12 mos) (in thousands)	TF Balance (in thousands)	Mos. in TF	Total loans (in thousands)	Loans/cov. employee
Wisconsin	445,248	1,556,922	37.2	0	0.00
Wyoming	28,401	147,087	54.0	0	0.00

## FINANCIAL INFORMATION BY STATE FOR CYQ, 1997

State	Revenues, last 12 months (in thousands)	TF balance (in thousands)	TF as per cent of total wages <sup>1</sup>
Alabama	\$140,978	\$451,425	1.21
Alaska	131,645	202,416	3.46
Arizona	224,651	741,050	1.70
Arkansas	183,101	204,319	1.03
California	3,367,845	3,737,815	1.05
Colorado	198,748	574,413	1.22
Connecticut	637,125	532,692	1.06
Delaware	75,692	279,173	2.86
District of Col	132,481	135,627	0.94
Florida	685,668	2,090,222	1.55
Georgia	350,964	1,797,102	2.13
Hawaii	186,510	216,658	2.04
Idaho	99,412	280,382	3.00
Illinois	1,226,328	1,742,968	1.16
Indiana	268,016	1,362,463	2.15
Iowa	144,156	727,327	2.79
Kansas	46,633	606,735	2.16
Kentucky	269,075	571,366	1.71
Louisiana	213,963	1,275,668	3.55
Maine	118,089	136,019	1.35
Maryland	349,967	720,552	1.42
Massachusetts	1,222,144	1,446,164	1.64
Michigan	1,184,719	2,222,714	1.93
Minnesota	398,707	564,628	0.98
Mississippi	166,992	563,901	2.95
Missouri	381,802	477,706	0.75
Montana	65,306	135,604	2.11
Nebraska	57,932	205,727	1.33
Nevada	224,837	387,888	1.79
New Hampshire	26,426	278,296	2.16
New Jersey	1,459,837	2,384,916	2.21
New Mexico	99,244	431,159	3.61
New York	2,402,806	990,176	0.43
North Carolina	253,942	1,301,184	1.67
North Dakota	26,246	38,057	0.83
Ohio	719,622	1,874,943	1.53
Oklahoma	107,585	608,942	2.36
Oregon	462,961	1,068,843	3.13
Pennsylvania	1,587,542	2,253,703	1.87
Puerto Rico	203,816	586,659	5.30
Rhode Island	248,423	160,044	1.78
South Carolina	219,733	687,060	2.02
South Dakota	14,186	48,939	0.91
Tennessee	296,749	847,842	1.52
Texas	1,014,596	706,577	0.35
Utah	97,876	572,849	2.97
Vermont	50,047	233,537	4.59
Virgin Islands	7,693	45,434	6.82
Virginia	222,448	979,376	1.35
Washington	810,440	1,447,195	2.42
West Virginia	139,030	165,917	1.37
Wisconsin	475,595	1,632,214	2.95
Wyoming	31,217	158,573	4.26
United States	23,731,544	43,833,157	1.51

<sup>1</sup> Based on estimated wages for the most recent 12 months.

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

S. 105. A bill to deauthorize certain portions of the project for navigation, Bass Harbor, Maine, to the Committee on Environment and Public Works.

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

S. 106. A bill to amend the Water Resources Development Act of 1996 to deauthorize the remainder of the project at East Boothbay Harbor, Maine; to the Committee on Environment and Public Works.

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

S. 107. A bill to deauthorize the project for navigation, Boothbay Harbor, Maine; to the Committee on Environment and Public Works.

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

S. 108. A bill to modify, and to deauthorize certain portions of, the project for navigation at Wells Harbor,

Maine; to the Committee on Environment and Public Works.

## LEGISLATION TO DEAUTHORIZE CERTAIN PORTIONS OF THE PROJECT FOR NAVIGATION IN THE STATE OF MAINE

Ms. SNOWE. Mr. President, I rise today to thank my colleagues for their support in the last Congress for my legislation on behalf of the towns of Tremont and East Boothbay, Maine, which passed the Senate in the 105th Congress. S. 1531 sought to deauthorize certain portions of the navigational project for Bass Harbor, and S. 1532 sought to deauthorize the final portions of East Boothbay Harbor.

I also want to thank my colleagues for their support and Senate passage of the reauthorization of the Water Resources Development Act of 1998, or WRDA, which not only included these two stand alone bills, but also contained legislation that deauthorized the Federal Navigation Project area within the limits of Boothbay Harbor's inner harbor. The town's representatives had voted unanimously to request this deauthorization of the FNP area.

Also, WRDA was amended on the floor to add language that would allow for the dredging of Wells Harbor. After many contentious years, this important federal project is set to go forward because a historic Memorandum of Agreement was reached amongst the town of Wells, the Save our Shores Wells coalition, the Wells Chamber of Commerce and the Maine Audubon Society.

Bass Harbor has the greatest concentration of fishing boats on Mt. Desert Island and all mooring spaces are currently full, with a long waiting list to obtain future moorings. When the townspeople approached the U.S. Army Corps of Engineers to obtain a permit for expansion, they were told that no improvements could be made until the federal project area boundary was moved to the proper location by legislative action. I am happy to do this on their behalf. The Selectmen, Town Manager, and Harbor Committee will not be working with the Corps and the State in anticipation of having the harbor dredged, which last occurred in 1966, so that they may make space available for more and larger boats.

The bill for East Boothbay Harbor deauthorize the remainder of the federal navigational project at Boothbay Harbor. The current marina owners purchased the former shipbuilding yard in East Boothbay in 1993 and have since turned it into a full service marina. In the process of getting all the permits together for further economic development, the marina discovered that parts of the harbor, while no longer used as such, were still deemed a federal navigation project created back in 1913,

when mine sweepers and other ships were being built there for World War I. Because part of the federal navigation project is still considered active, the Corps told the town that nothing could be done in the water until the entire area was deauthorized. My bill takes care of this final deauthorization, the rest of which was accomplished in the last reauthorization of the Water Resources Development Act, but the coordinates were ultimately found to be inaccurate. This legislation, with the assistance of the Corps, addresses that small section still requiring deauthorization.

The Town of Boothbay Harbor, Maine has requested legislation be enacted that will deauthorize the Federal Navigation Project area within the limits of Boothbay Harbor's inner harbor. To this end, I am introducing a bill, drafted with the assistance of the U.S. Army Corps of Engineers, and approved unanimously by the town's representatives.

I am also introducing legislation to address the dredging of Wells Harbor, which will deepen and maintain the harbor and, at the same time, protect an important federal wildlife refuge. The language, which was also included in the Senate passed WRDA of 1998, gives the Army Corps of Engineers (Corps) the authority to proceed with the project. The dredging of this federal project, contentious since 1988 because of concerns from environmental groups, is now set to go forward because of a historic Memorandum of Agreement that has been reached amongst the community and town officials, and the Maine Audubon Society. Interestingly, approximately 185,000 cubic yards of the sand to be dredged will be used to nourish adjacent eroding beaches in the town of Wells, so the project is a win-win situation for all concerned.

My stand alone bill, which will also once again be incorporated into WRDA, will allow the Corps to conduct maintenance dredging in Wells Harbor based on a design capacity for the harbor of 150 vessels, of which approximately 10 percent are commercial fishing boats. A small craft fleet of 150 is the original congressionally authorized design capacity for the harbor, and was a crucial part of the Agreement.

In addition, all parties to the settlement have agreed to a modification of the federal project, requiring Congressional action, that would realign and redesignate the existing federal channel, anchorage, and realign with the harbor settling basin, so as to maximize the use of the natural channels in the harbor for navigation and anchorage purposes. This will eliminate the impact of dredging on the intertidal

sand bar, which is considered to be the geologically stabilizing force for the estuary. The language, drafted with Corps assistance, will create a new settling basin in the outer harbor, relocate the inner harbor channel to the east side of the harbor, and redesignate portions of the current channel and settling basin as anchorage.

The State of Maine issued water quality certification and coastal zone management consistency in November of 1998, conditioned on the project modifications in my legislation and that were passed by the Senate in the WRDA of 1998.

Another critical component of the Agreement for all the parties is the U.S. Fish and Wildlife Service's request, also supported by the Maine Audubon Society, that the Corps expand the area covered by the bathymetric survey work that it will already be conducting as part of the monitoring program for the harbor. The State and the parties have agreed that the additional survey will provide important and useful information about the erosional impacts of dredging in the harbor. I have asked the Corps to make a good faith effort to honor this request.

Again, I congratulate the parties in the state for what I realize is a fragile Agreement and wish to help bring this long standing matter to the best conclusion possible both for the economy of the town of Wells and the environment of the harbor, the Rachael Carson Wildlife Refuge nearby and the Wells National Estuarine Research Reserve, in which the harbor lies.

I want to thank Senator CHAFEE and his Environment and Public Works Committee for their work for successful Senate passage for these bills in the last Congress. When passed again by the Senate and by the House—and signed into law—the legislation will allow the Maine towns involved to get on with much needed harbor economic development and dredging.

I once again thank my colleagues and ask for their continued support for passage of these bills, and I especially want to urge the House to also move forward on WRDA reauthorization. One project in one district in one state should not hold up the passage of this important legislation as was the situation last year. This legislation will help the economy of small towns in Maine—and many other locations around the country—who desperately need harbor reauthorization or dredging.

By Mr. COVERDELL (for himself and Mr. CLELAND):

S. 109. A bill to improve protection and management of the Chattahoochee River National Recreation Area in the State of Georgia; to the Committee on Energy and Natural Resources.

CHATTAHOOCHEE NATIONAL RECREATION AREA  
BOUNDARIES LEGISLATION

Mr. COVERDELL. Mr. President, today I introduce legislation which would modify the boundaries of the

Chattahoochee River National Recreation Area to protect and preserve the endangered Chattahoochee River and provide additional recreation opportunities for the citizens of Georgia and our nation. This legislation authorizes the creation of a greenway buffer between the river and private development to prevent further pollution, provide flood and erosion control, and maintain water quality for safe drinking water and for the fish and wildlife dependent on the river system. In addition, this legislation promotes private-public partnerships by authorizing \$25 million in federal funds for land acquisition for the recreation area. The \$25 million will be matched by private funds. The State of Georgia, private foundations, corporate entities, private individuals, and others have already given or pledged tens of millions of dollars to protect and preserve the Chattahoochee River for future generations of Georgians to enjoy.

I would like to thank Senator CLELAND for co-sponsoring this important legislation and supporting my efforts to protect one of Georgia's most vital natural resources. I believe it is crucial for Congress to act quickly on this legislation in order to protect the Chattahoochee River from any further development and environmental damage. I look forward to working with Senator CLELAND and my other colleagues in the Senate on this important proposal and urge its speedy consideration.

By Mr. SMITH of Oregon:

S. 110. A bill to amend title XIX of the Social Security Act to provide medical assistance for breast and cervical cancer-related treatment services to certain women screened and found to have breast or cervical cancer under a federally-funded screening program; to the Committee on Finance.

THE BREAST AND CERVICAL CANCER TREATMENT  
ACT OF 1999

Mr. SMITH of Oregon. Mr. President, this evening, the President of the United States will speak to the 106th Congress and the country in his annual State of the Union address. As distracted as we appropriately are by the Senate trial of the President, it is nevertheless my hope that the Senate, by the conclusion of the 106th Congress, will have enacted a strong bipartisan agenda reflecting several core principles. First, we must ensure that our public education system provides a high-quality, safe learning environment for all children; second, we must help working families save for the future; and third, we must support policies that increase access to health care services and improve the quality of health care in this nation.

With respect to the third principle, I rise today to introduce the "Breast and Cervical Cancer Treatment Act of 1999", legislation that my former colleague, Senator D'Amato from New York, proposed in the 105th Congress. Last year, this legislation received bi-

partisan support in the Senate with 35 cosponsors, and 113 cosponsors in the House of Representatives, demonstrating our commitment to improving the health and lives of low-income women in the United States.

Mr. President, whether we stand here as fathers, husbands, brothers or sons, mothers, daughters, sisters or grandchildren, we all know someone, a family member or a friend, who has experienced the devastating emotional and physical effects of breast or cervical cancer. In my state of Oregon, more than 28,000 women are living with breast cancer. In 1999, 500 women will die of breast cancer, and 200 women will die of cervical cancer. In an age of advancing technology and improved mammography, this is unacceptable, and unbelievable. We can and must do a better job for the women most at risk in this country.

The legislation I am introducing today, gives us an opportunity to expand upon an existing program that was enacted by Congress in 1990. The Breast and Cervical Cancer Mortality Prevention Act created a breast and cervical cancer screening program for low-income and uninsured women, and women of racial and ethnic minority populations throughout the United States. In its eighth year at the Centers for Disease Control (CDC) more than 1.3 million screening tests for breast and cervical cancer were provided. The CDC estimates that if such services were available to all women at risk, 15-20 percent of all deaths from breast cancer among women over 40 could have been prevented.

Recognizing the success of this screening program, the only question that remains is the availability of treatment. For a low-income or uninsured woman, a diagnosis of breast or cervical cancer means that the fight has just begun. Without adequate coverage for treatment, women in this program are left to find their own coverage or rely upon public hospitals or charity organizations. At Oregon Health Sciences University (OHSU), physicians are working overtime to treat patients and are facing limited budgets with which to provide services.

Mr. President, when a woman is diagnosed with cancer, there should be no question of whether she will be treated; rather, the answer should be "Absolutely, as soon as possible," not "How do you intend to pay for the treatment?"

The Breast and Cervical Cancer Treatment Act of 1999 seeks to expand upon the CDC screening program—with an emphasis on continuity of care—by giving states the option of providing Medicaid coverage for breast and cervical cancer treatment services to women who have been diagnosed through the CDC Breast and Cervical Cancer Screening program. With this legislation, a woman who is diagnosed through the CDC screening program would no longer have to worry about where to find treatment; the treatment

would be available to her upon diagnosis, by familiar physicians, in familiar surroundings.

Mr. President, this is not an issue of costs; it's an issue of compassion. It is an opportunity to say "yes, we're here to help" to the women in our lives who need our help the most. I believe that this bill creates a new beginning not only for families of the women who are and who will be fighting cancer in their lives, but for us as legislators as we face a new millennium. I urge my colleagues to say yes by joining me in this opportunity to set a new standard in the way we meet the health care needs of women in this country.

By Mr. SMITH of Oregon (for himself, Mr. THURMOND, Mr. LEAHY, and Mr. JEFFORDS):

S. 113. A bill to increase the criminal penalties for assaulting or threatening Federal judges, their family members, and other public servants, and for other purposes; to the Committee on the Judiciary.

THE FEDERAL JUDICIARY PROTECTION ACT OF  
1999

Mr. SMITH of Oregon. Mr. President, I rise today with my colleagues, Senators THURMOND, LEAHY, and JEFFORDS, to introduce the Federal Judiciary Protection Act of 1999, a bill to provide greater protection to Federal law enforcement officials and their families. Last year, this legislation received strong bipartisan support and passed the Senate by Unanimous Consent on November 9, 1997. I intend to work with my colleagues and the members of the Judiciary Committee to ensure that this bill becomes public law this year.

Former Secretary of State, John Foster Dulles once stated that "Of all the tasks of government, the most basic is to protect its citizens against violence." I believe that the Federal Judiciary Protection Act of 1999 gives us that very opportunity to strengthen those laws that deter violence and provide protection to those whose careers are dedicated to protecting our communities and our families.

Under current law, a person who assaults, attempts to assault, or who threatens to kidnap or murder a member of the immediate family of a United States official, a United States judge or a Federal law enforcement official, is subject to a punishment of a fine or imprisonment of up to five years, or both. This legislation seeks to expand these penalties in instances of assault with a weapon and a prior criminal history. In such cases, an individual could face up to 20 years in prison.

Importantly, this legislation would also strengthen the penalties for individuals who communicate threats through the mail. Currently, individuals who knowingly use the United States Postal Service to deliver any communication containing any threat are subject to a fine of up to \$1,000 or imprisonment of up to five years. Under this legislation, anyone who

communicates a threat could face imprisonment of up to ten years.

Emphasizing the need for this legislation, are the experiences of Oregon's own Chief Judge Michael Hogan and his family. They were subjected to frightening, threatening phone calls, letters and messages from an individual who had been convicted of previous crimes in Judge Hogan's courtroom. For months, he and his family lived with the fear that these threats to the lives of his wife and children could become reality, and, equally disturbing, that the individual could be back out on the street again in a matter of a few months, or a few years.

Judge Hogan and his family are not alone. In April, 1997, the wife of a Circuit Court judge in Florida was stalked by an individual who had been convicted of similar offense in 1994 and 1995. In this instance, the judge's wife was leaving a shopping mall one afternoon, and as she left the parking lot, realized that she was being followed. In an attempt to lose her pursuer, she took alternative routes, speeding through residential streets. In a desperate attempt, she cut in front of a semitrailer truck, risking a serious accident and possible loss of life, to escape. Even after his third offense, stalking the wife of a Circuit Court judge, her pursuer has been sentenced to only six months of probation and \$150 in fines and the court costs.

Mr. President, these are two examples of vicious acts focused at our Federal law enforcement officials and their families. As a member of the legislative branch, I believe that it is our responsibility to provide adequate protection to all Americans who serve to protect the life and liberty of every citizen in this nation. I encourage my colleagues to join us in sponsoring this important legislation.

Mr. LEAHY. Mr. President, I am proud to join Senator GORDON SMITH in introducing the Federal Judiciary Protection Act of 1999. In the last Congress, I was pleased to cosponsor nearly identical legislation introduced by Senator SMITH, which unanimously passed the Senate Judiciary Committee and the Senate but was not acted upon by the House of Representatives. I commend the Senator from Oregon for his continued leadership in protecting our Federal judiciary.

Our bipartisan legislation would provide greater protection to Federal judges, law enforcement officers and their families. Specifically, our legislation would: increase the maximum prison term for forcible assaults, resistance, opposition, intimidation or interference with a Federal judge or law enforcement officer from 3 years imprisonment to 8 years; increase the maximum prison term for use of a deadly weapon or infliction of bodily injury against a Federal judge or law enforcement officer from 10 years imprisonment to 20 years; and increase the maximum prison term for threatening murder or kidnapping of a mem-

ber of the immediate family of a Federal judge or law enforcement officer from 5 years imprisonment to 10 years. It has the support of the Department of Justice, the United States Judicial Conference, the United States Sentencing Commission and the United States Marshal Service.

It is most troubling that the greatest democracy in the world needs this legislation to protect the hard working men and women who serve in our Federal judiciary and other law enforcement agencies. But, unfortunately, we are seeing more violence and threats of violence against officials of our Federal government.

Recently, for example, a courtroom in Urbana, Illinois was firebombed, apparently by a disgruntled litigant. This follows the horrible tragedy of the bombing of the federal office building in Oklahoma City in 1995. In my home state during the summer of 1997, a Vermont border patrol officer, John Pfeiffer, was seriously wounded by Carl Drega, during a shootout with Vermont and New Hampshire law enforcement officers in which Drega lost his life. Earlier that day, Drega shot and killed two state troopers and a local judge in New Hampshire. Apparently, Drega was bent on settling a grudge against the judge who had ruled against him in a land dispute.

I had a chance to visit John Pfeiffer in the hospital and met his wife and young daughter. Thankfully, Agent Pfeiffer has returned to work along the Vermont border. As a federal law enforcement officer, Agent Pfeiffer and his family will receive greater protection under our bill.

There is, of course, no excuse or justification for someone taking the law into their own hands and attacking or threatening a judge or law enforcement officer. Still, the U.S. Marshal Service is concerned with more and more threats of harm to our judges and law enforcement officers.

The extreme rhetoric that some have used in the past to attack the judiciary only feeds into this hysteria. For example, one of the Republican leaders in the House of Representatives has been quoted as saying: "The judges need to be intimidated," and if they do not behave, "we're going to go after them in a big way." I know that this official did not intend to encourage violence against any Federal official, but this extreme rhetoric only serves to degrade Federal judges in the eyes of the public.

Let none of us in the Congress contribute to the atmosphere of hate and violence. Let us treat the judicial branch and those who serve within it with the respect that is essential to preserving its public standing.

We have the greatest judicial system in the world, the envy of people around the globe who are struggling for freedom. It is the independence of our third, co-equal branch of government that gives it the ability to act fairly and impartially. It is our judiciary

that has for so long protected our fundamental rights and freedoms and served as a necessary check on overreaching by the other two branches, those more susceptible to the gusts of the political winds of the moment.

We are fortunate to have dedicated women and men throughout the Federal Judiciary and law enforcement in this country who do a tremendous job under difficult circumstances. They are examples of the hard-working public servants that make up the federal government, who are too often maligned and unfairly disparaged. It is unfortunate that it takes acts or threats of violence to put a human face on the Federal Judiciary and other law enforcement officials, to remind everyone that these are people with children and parents and cousins and friends. They deserve our respect and our protection.

I urge my colleagues to support the Federal Judiciary Protection Act of 1999 and look forward to its swift enactment into law.

By Mr. INOUE:

S. 114. A bill to amend title VII of the Public Health Service Act to revise and extend certain programs relating to the education of individuals as health professionals, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

PHYSICAL THERAPY AND OCCUPATIONAL THERAPY EDUCATION ACT OF 1999

Mr. INOUE. Mr. President, today I rise to introduce the Physical and Occupational Therapy Education Act of 1999. This legislation will increase educational opportunities for physical therapy and occupational therapy practitioners in order to meet the growing demand for the valuable services they provide in our communities.

In its most recent report, the Department of Labor's Bureau of Labor Statistics (BLS) projected that the demand for services provided by physical therapists will increase dramatically over the next decade. According to the BLS statistics, the increase in demand for these services will create a need for 81,000 additional therapists, an 80% increase over 1994 figures.

The BLS also predicts an increased demand for occupational therapists. According to the BLS, by the year 2005, the increase in demand will create a need for 39,000 additional occupational therapists, a 72% increase over 1994 figures.

Several factors contribute to the present need for federal support in this area. The rapid aging of our nations' population, the demands of the AIDS crisis, increasing emphasis on health promotion and disease prevention, and the growth of home health care have exceeded our ability to educate an adequate number of physical therapy and occupational therapy practitioners. In addition, technological advances are allowing injured and disabled individuals to survive conditions that, in past years, would have proven fatal.

America's inability to educate an adequate number of physical therapists

has led to an increased reliance on foreign-educated, non-immigrant temporary workers (H-1B visa holders). The U.S. Commission on Immigration Reform has identified physical therapy and occupational therapy as having the highest number of H-1B visa holders in the U.S., second only to computer specialists. While the INS does not categorize occupational therapy as a separate profession when tracking H-1B visa entrants, the National Board of Certification in Occupational Therapy documents that the percentage of newly certified occupational therapists who are foreign graduates has risen from 3% in 1985 to more than 20% in 1995.

The legislation I introduce today would provide necessary assistance to physical and occupational therapy programs throughout the country. In awarding grants, preference would be given to applicants seeking to educate and train practitioners at clinical sites in medically underserved communities.

In addition to the shortage of practitioners, the current shortage of physical therapy and occupational therapy faculty impedes the expansion of established programs. The critical shortage of doctoral-prepared occupational therapists and physical therapists has resulted in an almost nonexistent pool of potential faculty. Presently, there are 117 faculty vacancies among 131 accredited physical therapy programs in the U.S. Similarly, during the 1995-1996 academic year there were 51 faculty vacancies among 85 accredited professional level occupational therapy programs. The legislation I introduce today would assist in the development of a pool of qualified faculty by giving preference to applicants seeking to develop and expand post professional programs for the advanced training of physical and occupational therapists.

The investment we make through passage of the Physical Therapy and Occupational Therapy Education Act of 1999 will help reduce America's dependence on foreign labor and create highly-skilled, high-wage employment opportunities for American citizens. I look forward to working with my colleagues in Congress to enact this important legislation.

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

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

S. 114

*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 "Physical Therapy and Occupational Therapy Education Act of 1999".

**SEC. 2. PHYSICAL THERAPY AND OCCUPATIONAL THERAPY.**

Subpart 2 of part E of title VII of the Public Health Service Act, as amended by the Health Professions Education Partnerships Act of 1998, is amended by inserting after section 769, the following:

**"SEC. 769A. PHYSICAL THERAPY AND OCCUPATIONAL THERAPY.**

"(a) IN GENERAL.—The Secretary may make grants to, and enter into contracts with, programs of physical therapy and occupational therapy for the purpose of planning and implementing projects to recruit and retain faculty and students, develop curriculum, support the distribution of physical therapy and occupational therapy practitioners in underserved areas, or support the continuing development of these professions.

"(b) PREFERENCE IN MAKING GRANTS.—In making grants under subsection (a), the Secretary shall give preference to qualified applicants that seek to educate physical therapists or occupational therapists in rural or urban medically underserved communities, or to expand post-professional programs for the advanced education of physical therapy or occupational therapy practitioners.

"(c) PEER REVIEW.—Each peer review group under section 798(a) that is reviewing proposals for grants or contracts under subsection (a) shall include not fewer than 2 physical therapists or occupational therapists.

"(d) REPORT TO CONGRESS.—

"(1) IN GENERAL.—The Secretary shall prepare a report that—

"(A) summarizes the applications submitted to the Secretary for grants or contracts under subsection (a);

"(B) specifies the identity of entities receiving the grants or contracts; and

"(C) evaluates the effectiveness of the program based upon the objectives established by the entities receiving the grants or contracts.

"(2) DATE CERTAIN FOR SUBMISSION.—Not later than February 1, 2001, the Secretary shall submit the report prepared under paragraph (1) to the Committee on Commerce and the Committee on Appropriations of the House of Representatives, the Committee on Labor and Human Resources and the Committee on Appropriations of the Senate.

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated \$3,000,000 for each of the fiscal years 2000 through 2003."

By Ms. SNOWE (for herself and Mrs. FEINSTEIN):

S. 115. A bill to require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer and coverage for secondary consultations; to the Committee on Health, Education, Labor, and Pensions.

WOMEN'S HEALTH AND CANCER RIGHTS ACT OF 1999

Ms. SNOWE. Mr. President, on behalf of myself and the Senator from California, Mrs. FEINSTEIN, I rise today to introduce the Women's Health and Cancer Rights Act of 1999. We supported this bill in the 105th Congress when it was championed by my friend, the Senator from New York, Mr. D'AMATO, and we are reaffirming our support for this important issue by reintroducing this bill today. Last year we did make some progress on this bill as one piece—requiring insurance companies to cover reconstructive surgery was included in the final Omnibus spending bill enacted into law last October.

This bill is about doing what's best for women facing the crisis of a cancer diagnosis and a potential mastectomy. Because right now some women are

being denied the best health care available. That is simply not acceptable in a country of such vast medical resources.

This year, millions of Americans will face the possibility of a cancer diagnosis, and 180,000 women will be diagnosed with breast cancer. Our bill provides women with breast cancer and all Americans facing a cancer diagnosis with some basic protections.

First, it ensures that doctors are not pressured by health plans to release mastectomy patients before it is medically appropriate. Currently, some insurers have guidelines recommending that mastectomies be performed on an outpatient basis. A mastectomy is a very complicated surgical procedure and complications can arise as a result. Sending a woman home immediately after the surgery is not always the right thing to do. They may not have the information they need nor, more importantly, the care. We want to make sure—and this bill will—that the decisions are made in the context of the medical well being of the patient as opposed to being made by an insurance company bureaucrat.

This decision must be returned to physicians and their patients. The physical scars left by a mastectomy can be complicated and difficult to care for, and often require supervision. Women prematurely released may not have the information they need, and some dangerous complications can arise hours after the operation. And all of this is happening in context of the intense emotional trauma that comes with losing part or all of a breast.

Finally, all Americans who face the possibility of a cancer diagnosis must be able to make informed decisions about appropriate medical care. To do that, they need access to all the information available. Our bill requires insurance companies to pay full coverage for secondary consultations with a specialist whenever any cancer has been diagnosed or a treatment recommended. This will reduce senseless deaths resulting from false diagnoses and empower individuals to seek the most appropriate available treatment.

Women with breast cancer and all Americans facing a cancer diagnosis cannot wait any longer. I would urge my colleagues to join me in supporting this bill in order to provide the protections granted under this bill now.

By Ms. SNOWE:

S. 116. A bill to establish a training voucher system, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

#### WORKING AMERICAN TRAINING VOUCHER ACT

Ms. SNOWE. Mr. President, I rise today to introduce legislation that will address a serious need of America's workers: the need to receive training that will prepare individuals for the workplace of the 21st Century. My legislation, entitled the "Working American Training Voucher Act," would provide \$1,000 training vouchers to 1 million working men and women who

typically have little or no access to employer-provided training.

Mr. President, many Federal programs focus on the needs of those whose challenges and difficulties are most easily recognized and tangible. When we see a hungry child, an unemployed adult, or an impoverished senior citizen, we justifiably want to reach out and do what we can to help. Indeed, I am proud to be an active voice for those whose challenges and pains we can sometimes only imagine. However, it is oftentimes difficult to recognize the needs of those whose challenges are less tangible, whose concerns are less evident, or whose sense of insecurity about the future is known only by the individual and their family.

It is this difficulty that confronts many American workers today. In the face of increasing global competition, many workers wonder if the job they have today will be there for them tomorrow. They are concerned that the advent of new technologies is making their skills and talents less useful for their current employers which, in turn, makes them feel more vulnerable and expendable. And they wonder if the skills they possess today are even marketable if they are "down-sized" or otherwise put out of work.

Unfortunately, these types of concerns and anxieties of oftentimes do not show on the surface, so it can be difficult for others to recognize or address them. It is too easy for many to assume that because a man or woman is already holding down a job, all is well and his or her future is secure. After all, how bad can it be if you're punching a time clock and getting a paycheck? Unfortunately, such a view is not only shortsighted, it is also misguided and could prove disastrous.

We should not wait until a worker has been laid-off from their job, or a company shuts its doors and shutter its windows, to take steps to help the American worker. Rather, we should take steps to ensure that our nation's workforce is confident of their future and feels prepared to address the changes that tomorrow will bring. Not only does this help the individual, but I think we would all agree that the best way to reduce the impact and cost of unemployment is to take steps to keep those who are already employed on-the-job!

Admittedly, many policies and decisions play an integral role in creating a vibrant job market. The tax burden we place on businesses, the trade agreements we sign with foreign governments, and the regulatory load we place on employers all have a significant impact on our economy's ability to produce and sustain good jobs. However, for the individual, many of these policies seem too "macro" to have an impact on their own employment prospects. In fact, an individual may not even recognize the direct impact these broader policies have on their job from day to day.

There is, however, one issue that truly strikes at the heart of how an in-

dividual feels about the future: the degree to which he or she knows that their skills match the needs of their current employer or other prospective employers in the marketplace. Without this knowledge, it does not matter to an individual if the unemployment rate is as low as economists consider the "natural rate of unemployment" or if the newspapers tell him or her that the economy couldn't be better. The simple fact is that unless an individual personally feels that their skills are up-to-date and marketable, there will never be a complete sense of security on the job from one day to the next.

And that's what the legislation I am introducing today is all about. The "Working American Training Voucher Act" addresses the needs of the average American worker—the individual who has a job today, but doesn't know if he or she has the skills needed for the jobs of tomorrow. The person who's collecting a paycheck now, but is concerned that the rapidly changing work environment may put an end to that soon.

Mr. President, we all know new technologies and new products are entering the workplace at an unprecedented rate and the changes these technologies bring are substantial. Few professions and few jobs have gone untouched by these changes—and even fewer will be immune from change in the future. Indeed, just as computers have changed the face of manufacturing, they have also changed the world of art and design. Even labor intensive tasks at assembly shops have taken on a high-tech flair thanks to new technologies.

For an individual who understands these technologies or receives training in their use, these changes present exciting new opportunities that improve performance and ultimately give one a sense of assurance that their skills are in demand. But for those who do not understand these technologies or do not receive training in their use, these technologies are nothing more than a threat and a cause for anxiety.

Regrettably, even as the demand for training at all levels in the workplace continues to grow because of these changing technologies, the United States has historically lagged far behind our global competitors in training workers. In fact, a study by the Congressional Office of Technology Assessment concluded: "When measured by international standards, most American workers are not well trained."

While some U.S. companies devote a substantial amount of money to training, many of our global competitors spend considerably more. A study by the American Society for Training and Development highlighted this point when it found that U.S. companies spend—in the aggregate—approximately 1.4 percent of their payroll on training, while a number of our competitor nations actually require companies to spend 2 to 4 percent! While I would not espouse a mandatory training budget for any business, I believe

we can and should seek to improve the availability of training for our nation's workers—and especially for those who need it most but are least likely to receive it. And that's precisely who the "Working American Training Voucher" is designed to reach.

Mr. President, the "Working American Training Voucher" would provide access to critically needed training for workers at businesses with 200 or fewer employees. Why is it targeted to workers in small businesses? Quite simply, because these are the individuals who are the least likely to receive—or be offered—employer-provided training. The same report by the Congressional Office of Technology Assessment summarized the plight of employees at small businesses quite succinctly: "Many (employees) in smaller firms receive no formal training."

A 1997 report—completed by Professor Craig Olson at the University of Wisconsin-Madison and presented to the Senate Manufacturing Task Force during the 105th Congress—looked at the difference between the likelihood an individual would receive training and the level of educational achievement he or she attained, or the field he or she chose to enter. Dr. Olson's study found that individuals with a bachelor's or master's degree had a 50 percent chance of receiving training in the past year, while individuals with a high school diploma had only a 17 percent chance. Those who dropped-out of high school fared even worse: their odds of receiving training were only 5 percent.

When viewed by occupation, individuals who worked in production- or service-related jobs had only a 16 percent and 18 percent chance of receiving training respectively, while those in management had a 50 percent chance. When considering that only one in four American workers received training in the past 12 months, these odds don't bode well for many employees at small businesses whose educational attainment and occupations fall in the categories that are the least likely to receive training.

One might understandably ask: Why is it that small businesses often provide so little training? The answer: cost. Small businesses are quite often unable to afford the cost of sending an employee to a training program. When your business is just trying to make ends meet, it's impossible to send an employee to a training class that costs the business both money and time away from work.

Mr. President, the "Working American Training Voucher" is designed to address this problem in a straightforward and efficient way. These vouchers—valued at up to \$1,000 each—would be made available to employees at small business through the existing job training system that is already in place as a result of the Job Training Partnership Act (JTPA). As my colleagues in the Senate know, state and local governments—joined by the private sector—have primary responsibility

for the development, management, and administration of job training programs in the JTPA, so no new distribution network would be necessary to conduct this voucher program.

The only major requirement for receiving a voucher would be that the employee and employer must agree on the specific training that will be purchased with the voucher. This will ensure that the training will be targeted specifically to the needs of the individual and the business—money would not be spent on generic training programs that teach skills that are of little, if any, use in a particular field or job. Furthermore, such an agreement will ensure that workers are actively engaged in pursuing training that will help their careers, even as employers will be urging employees to undertake training that will help the business.

Last year, JTPA programs were re-crafted and consolidated as part of the Workforce Investment Act (WIA) of 1998—a law that greatly improved the delivery of federal job training monies. Specifically, up until the passage of the WIA, there was virtually no federal money for workers that are already employed. But with WIA's enactment, we are beginning to place some much needed attention on the needs of incumbent workers, and the "Working American Training Voucher Act" will vastly expand access to training for those who need it most.

Mr. President, I believe that as we prepare our workforce for the next century, we should be encouraging workers to develop new skills that will improve their longevity in their current jobs even as they gain confidence that their skills will be needed in the future. Not only will these new skills increase the confidence and performance of the individual worker, but they will also improve the productivity of the business who employs them. And we all know that if we improve a business' productivity and output, that business is more likely to survive and thrive—which means that this voucher may ultimately assist in preserving businesses and jobs in the long run.

Furthermore, better skills and training will ensure that individuals are able to rapidly transition to new jobs in the unfortunate event their current job is lost for reasons beyond their control. Regardless of how favorable the tax code is made or how many burdensome regulations we remove, we will never be able to guarantee an individual that his or her job will be around forever. But we can provide a worker with access to training that will keep his or her skills up-to-date and marketable no matter what the future holds.

Mr. President, the "Working American Training Voucher" would be a tangible, concrete, and definable program that would address a core issue facing American workers. It will ensure that those who typically have the least access to training will be able to acquire the skills needed for their current jobs, while improving their jobs in

the future. It is targeted to those who are most in need of assistance, and will ensure that we no longer wait until an individual is out of work to provide help.

The Federal government often promises the American people many things, but we can never offer peace of mind to a worker who doesn't know if his or her skills are adequate to keep them employed. Let's take a step in the right direction and at least ensure that those who have a job will not lose it due to a lack of access to training and new skills. Let's pass the "Working American Training Voucher Act."

Mrs. FEINSTEIN. Mr. President, today, I am introducing the Women's Health and Cancer Rights Act of 1999 with Senator OLYMPIA SNOWE.

This bill has four provisions:

For breast cancer—

1. It requires insurance plans to cover hospital stays as determined by the attending physician, in consultation with the patient, to be medically appropriate. Our bill does not prescribe a fixed number of days or set a minimum. It leaves the length of hospital stay up to the treating physician.

2. It requires insurance plans to provide notice to plan subscribers of these requirements.

For all cancers—

3. It prohibits insurance plans from linking financial or other incentives to a physician's provisions of care.

4. It requires plans to cover second opinions by specialists to confirm or refute a diagnosis. If the attending physician certifies that there is no appropriate specialist practicing under the insurance plan, the plan must ensure that coverage is provided outside the plan for a second opinion by a qualified specialist selected by the attending physician at no additional cost to the patient beyond that which the patient would have paid if the specialist were participating in the plan.

#### NEED FOR LEGISLATION

The movement from inpatient to outpatient mastectomies and reduced hospital stays for mastectomies in recent years has been documented. A June 3, 1998 study in the *Journal of the National Cancer Institute* found that from 1986 to 1995 "the proportion of mastectomies performed on an outpatient basis increased from virtually 0% to 10.8%," said these researchers. This report also says that the data "clearly suggested a shorter average length of stay and a higher likelihood of a short stay for women covered by HMOs" and that "while short stays appear to be more prevalent among HMO enrollees, they are not limited exclusively to women with HMO coverage."

Another study, by the medical research firm HCIA of Baltimore, Maryland, found that in 1995, 7.6 percent of the 110,000 breast removals in the country were done on an outpatient basis, up from 1.6 percent in 1991.

Another study found that the average length of stay for women who have had a mastectomy is 4.34 days nationally,



but in California, it is 2.98 days, the shortest in the country. (New York has the longest mastectomy length of stay at 5.78 days.) This study, published in the winter 1997-1998 issue of *Inquiry*, says:

California had the highest proportion of mastectomy patients discharged after only one day or within two days . . . Nearly 12% of mastectomy patients in California were discharged with a length of stay equal to one day; the next highest proportion was 4.8% in Massachusetts; the percentages in the other three states ranged from 1.1% to 2.2%.

A July 7, 1997 study by the Connecticut Office of Health Care Access found the average hospital length of stay for breast cancer patients undergoing mastectomies decreased from three days in 1991 and 1993 to two days in 1994 and 1995. This study said, "The percentage of mastectomy patients discharged after one-day stays grew about 700 percent from 1991 to 1996."

The Wall Street Journal on November 6, 1996, reported that "some health maintenance organizations are creating an uproar by ordering that mastectomies be performed on an outpatient basis. At a growing number of HMOs, surgeons must document 'medical necessity' to justify even a one-night hospital admission."

And so the studies confirm that (1) hospital lengths of stay for mastectomies are decreasing and (2) more mastectomies are being done on an outpatient basis.

#### INCIDENCE OF BREAST CANCER

In 1998, over 180,000 people (one in every 8 American women) were diagnosed with invasive breast cancer and 44,000 women died from breast cancer. Only lung cancer causes more cancer deaths in American women. There are 2.6 million American women living with breast cancer today.

In my state, in 1998, approximately 17,600 women were diagnosed with breast cancer and 4,300 died, according to the American Cancer Society. Officials at the Northern California Cancer Center say that breast cancer incidence rates in Los Angeles and San Francisco are significantly higher than national rates.

#### THE STRESS OF MASTECTOMY; THE NEED FOR CARE

After a mastectomy, patients must cope with pain from the surgery, with drainage tubes and with psychological loss—the trauma of an amputation. These patients need medical care from trained professionals, medical care that they cannot provide themselves at home. A woman fighting for her life and her dignity should not also be saddled with a battle with her health insurance plan.

Dr. Christine Miaskowski at the University of California, San Francisco, estimates that about 20 percent of women who have breast cancer surgery have chronic pain of long duration. A University of California, San Diego, study suggests that the rate may be double that, reports the May 20, 1998 *Journal of the National Cancer Institute*.

Patients who have mastectomies in outpatient settings have higher rates of rehospitalization than women with a one-day hospital stay, according to the study reported in the *Journal of the National Cancer Institute*.

As the National Breast Cancer Coalition wrote me on March 12, 1998: "The NBCC applauds this effort and believes this compromise will put an end to the dangerous health insurance practices that allow cost and not medical evidence to determine when a woman leaves a hospital after cancer surgery."

#### SOME ACCOMPLISHMENTS LAST YEAR

In the last Congress, Senators D'Amato, SNOWE and I introduced a similar bill, S. 249, which also included a requirement that plans cover breast reconstruction following a mastectomy. Fortunately, Congress passed and the President signed that part of our bill, into law, the omnibus appropriations bill for FY 1999, now P.L. 105-277.

The mastectomy hospital length-of-stay and the other provisions did not become law, despite many efforts:

At our request, the Senate Finance Committee held a hearing on S. 249 on November 5, 1997.

We attempted to get this considered by the Senate, three times in 1998:

On March 16, we filed it as an amendment to H.R. 2646, the Parent and Student Savings Account PLUS Act.

On May 6, we filed it as an amendment to H.R. 2676, the IRS restructuring bill.

On May 12, we tried to bring the bill to a vote in the Senate, but were blocked.

In addition, Senator D'Amato offered it as an amendment in the Finance Committee twice.

#### TWO CALIFORNIA CASES

Two California women have shared their real-life experiences with me:

Nancy Couchot, age 60, of Newark, California, wrote me that she had a modified radical mastectomy on November 4, 1996, at 11:30 a.m. and was released by 4:30 p.m. She could not walk and the hospital staff did not help her "even walk to the bathroom." She says, "Any woman, under these circumstances, should be able to opt for an overnight stay to receive professional help and strong pain relief."

Victoria Berck, of Los Angeles, wrote that she had a mastectomy and lymph node removal at 7:30 a.m. on November 13, 1996, and was released from the hospital 7 hours later, at 2:30 p.m. Ms. Berck was given instructions on how to empty two drains attached to her body and sent home. She concludes, "No civilized country in the world has mastectomy as an outpatient procedure."

These are but two examples of what I believe is happening around the country—insurance plans interfering with professional medical judgment and arbitrarily reducing care without a medical basis.

Premature discharges for mastectomy, with insurance plans strong-arming physicians to send women

home, are one glaring example of the rising tide abuses faced by patients and physicians who have to "battle" with their HMOs to get coverage of the care that physicians believe is medically necessary.

#### NO FINANCIAL INCENTIVES

For all cancers, our bill also prohibits insurance plans from including financial or other incentives to influence the care a doctor's provides, similar to a law passed by the California legislature last year. Many physicians have complained that insurance plans include financial bonuses or other incentives for cutting patient visits or for not referring patients to specialists. Our bill bans financial incentives linked to how a doctor provides care. Our intent is to restore medical decision-making to health care.

For example, a California physician wrote me, "Financial incentives under managed care plans often remove access to pediatric specialty care." A June 1995 report in the *Journal of the National Cancer Institute* cited the suit filed by the husband of a 34-year old California woman who died from colon cancer, claiming that HMO incentives encouraged her physicians not to order additional tests that could have saved her life.

#### SECOND OPINIONS

Finally, our bill requires plans to cover second opinions by specialists for all cancers when a patient requests them. And if the attending physician certifies that there is no appropriate specialist practicing under the plan, the plan must cover a second opinion outside the plan by a qualified specialist selected by the attending physician, at no additional cost to the patient beyond that which the patient would have paid if the specialists were participating in the plan.

The alarm of learning one has cancer is profound. It affects the individual and the whole family deeply. People need the best medical judgment they can get, to make some of the most important decisions of their lives. I believe plans should cover a second opinion, so that patients can get the best care possible and can try to find some peace of mind that they are getting competent, complete medical advice.

#### CONCLUSION

This bill would restore professional medical decision making to medical doctors, those whom we trust to take care of us. It should not take an act of Congress to guarantee good health care, but unfortunately that is where we are today. As the National Breast Cancer Coalition wrote, ". . . until guaranteed access to quality health care coverage and service is available for all women and their families, there are some very serious patient concerns that must be met. Without meaningful health care reform, market forces propel the changes in the health care system and women are at risk of being forced to pay the price by having inappropriate limits placed on their access to quality health care."

This is an important protection for millions of Americans who face the fear, the reality and the costs of cancer every day. Seven states have a law allowing a physician to determine the length of stay following a mastectomy. Seven states have a required 48-hour minimum stay requirement.

It is long past time for this Congress to send a strong message to insurance companies. Medical decisions must be made by medical professionals, not anonymous insurance clerks.

By Ms. SNOWE:

S. 117. A bill to permit individuals to continue health plan coverage of services while participating in approved clinical studies; to the Committee on Health, Education, Labor, and Pensions.

By Ms. SNOWE:

S. 118. A bill to amend the Public Health Service Act to provide, with respect to research on breast cancer, for the increased involvement of advocates in decision making at the National Cancer Institute; to the Committee on Health, Education, Labor, and Pensions.

#### BREAST CANCER LEGISLATION

Ms. SNOWE. Mr. President, today I am introducing two bills which build on progress made in the 105th Congress in the difficult and challenging fight against breast cancer.

Our challenge was summed up by one breast cancer advocate when she stated, simply and eloquently, "We must make our voices heard, because it is our lives." Indeed, breast cancer continues to claim the lives of our mothers, sisters, daughters, and wives. With about 1 in 8 women at risk for developing breast cancer, there is scarcely a family in America unaffected by the disease.

By the end of this year alone, over 178,000 women will have been diagnosed with breast cancer. Over 43,500 will have died. And with each life stolen, our nation is weakened immeasurably.

We took an important step forward in the last Congress to combat this deadly foe. In the Food and Drug Administration Reauthorization Act, Congress included language based on a bill I introduced with the Senator from California, Senator FEINSTEIN, to create a "one-stop shopping information service" for individuals with life-threatening diseases looking to obtain information about privately and publicly funded clinical trials. This service provides information describing the purpose of the trial, eligibility criteria and the location. It gives individuals, their families and physicians an 800 number to call to obtain the latest information about these trials—trials that could save a loved one's life and trials that could help put us a step closer to our ultimate goal—finding a cure.

Much remains to be done before we conquer breast cancer, so today I am reintroducing a bill, the Improved Pa-

tient Access to Clinical Studies Act of 1999, to prohibit insurance companies from denying coverage for services provided to individuals participating in clinical trials, if those services would otherwise be covered by the plan. This bill would also prevent health plans from discriminating against enrollees who choose to participate in clinical trials.

This bill has a two-fold purpose. First, it will ensure that many patients who could benefit from these potentially life-saving investigational treatments but currently do not have access to them because their insurance will not cover the associated costs. Second, without reimbursement for these services, our researchers' ability to conduct important research is impeded as it reduces the number of patients who seek to participate in clinical trials.

The second bill will give breast cancer advocates a voice in the National Institutes of Health's (NIH's) research decision-making. The Consumer Involvement in Breast Cancer Research Act urges NIH to follow the Department of Defense's lead and include lay breast cancer advocates in breast cancer research decision-making.

The involvement of these breast cancer advocates at DOD has helped foster new and innovative breast cancer research funding designs and research projects. While maintaining the highest level of quality assurance through peer review, breast cancer advocates have helped to ensure that all breast cancer research reflects the experiences and wisdom of the individuals who have lived with the disease, as well as the scientific community.

I hope that my colleagues will join me in supporting these two bills which will help those suffering from breast cancer and their families as well as our researchers who are seeking the cure for this devastating disease.

By Ms. SNOWE:

S. 119. A bill to establish a Northern Border States-Canada Trade Council, and for other purposes, to the Committee on Finance.

#### THE NORTHERN BORDER STATES COUNCIL ACT

Ms. SNOWE. Mr. President, today I am introducing legislation that would establish a Northern Border States Council on United States-Canada trade.

The purpose of this Council is to oversee cross-border trade with our Nation's largest trading partner—an action that I believe is long overdue. The Council will serve as an early warning system to alert State and Federal trade officials to problems in cross-border traffic and trade. The Council will enable the United States to more effectively administer trade policy with Canada by applying the wealth of insight, knowledge and expertise of people who reside not only in my State of Maine, but also in the other eleven northern border States as well, on this critical policy issue.

Within the U.S. Government we already have the Department of Com-

merce and a U.S. Trade Representative, both Federal entities, responsible for our larger, national U.S. trade interests. But the facts is that too often such entities fail to give full consideration to the interests of the 12 northern States that share a border with Canada, the longest demilitarized border between two nations anywhere in the world. The Northern Border States Council will provide State trade officials with a mechanism to share information about cross-border traffic and trade. The Council will then advise the Congress, the President, the U.S. Trade Representative, the Secretary of Commerce, and other Federal and State trade officials on United States-Canada trade policies, and problems.

Canada is our largest and most important trading partner. Canada is by far the top purchaser of U.S. export goods and services, as it is the largest source of U.S. imports. In 1997, for instance, Canada imported over \$151.7 million worth of U.S. goods. With an economy one-tenth the size of our own, Canada's economic health depends on maintaining close trade ties with the United States. While Canada accounts for about one-fifth of U.S. exports and imports, the United States is the source of two-thirds of Canada's imports and provides the market with fully three-quarters of all of Canada's exports.

The United States and Canada have the largest bilateral trade relationship in the world, a relationship that is remarkable not only for its strength and general health, but also for the intensity of the trade and border problems that do frequently develop—as we have seen this past year with actual farmer border blockades in some border states because of the unfairness of agricultural trade policies. Over the last decade, Canada and the United States have signed two major trade agreements—the United States-Canada Free Trade Agreement in 1989, and the North American Free Trade Agreement, or NAFTA, in 1993. Notwithstanding these trade accords, numerous disagreements have caused trade negotiators to shuttle back and forth between Washington and Ottawa, most recently for solutions to problems for grain trade, wheat imports, animal trade, and joint cooperation on Biotechnology. I might add at recent negotiations, there was still no movement towards solutions for the potato industry, but I have been promised by the USDA that it is now the top priority for discussion.

Most of the more well-known trade disputes with Canada have involved agricultural commodities such as durum wheat, peanut butter, dairy products, and poultry products, and these disputes, of course, have impacted more than just the 12 northern border States.

Each and every day, however, an enormous quantity of trade and traffic crosses the United States-Canada border. These are literally thousands of businesses, large and small, that rely

on this cross-border traffic and trade for their livelihood.

My own State of Maine has had a long-running dispute with Canada over that nation's unfair policies in support of its potato industry, and I know that the upper mid-west and the western states have problems as well. Specifically, Canada protects its domestic potato growers from United States competition through a system of nontariff trade barriers, such as setting container size limitations and a prohibition on bulk shipments from the United States.

This bulk import prohibition effectively blocks United States potato imports into Canada and was one topic of discussion during an International Trade Commission investigations hearing on April 30, 1997, where I testified on behalf of the Maine potato growers. The ITC followed up with a report stating that Canadian regulations do restrict imports to bulk shipments of fresh potatoes for processing or repackaging, and that the U.S. maintains no such restrictions. These bulk shipment restrictions continue, and, at the same time, Canada also artificially enhances the competitiveness of its product through domestic subsidies for its potato growers.

Another trade dispute with Canada, specifically with the province of New Brunswick, originally served as the inspiration for this legislation. In July 1993, Canadian federal customs officials began stopping Canadians returning from Maine and collecting from them the 11-percent New Brunswick Provincial Sales Tax [PST] on goods purchased in Maine. Canadian Customs Officers had already been collecting the Canadian federal sales tax all across the United States-Canada border. The collection of the New Brunswick PST was specifically targeted against goods purchased in Maine—not on goods purchased in any of the other provinces bordering New Brunswick.

After months of imploring the U.S. Trade Representative to do something about the imposition of the unfairly administered tax, then Ambassador Kantor agreed that the New Brunswick PST was a violation of NAFTA, and that the United States would include the PST issue in the NAFTA dispute settlement process. But despite this explicit assurance, the issue was not, in fact, brought before NAFTA's dispute settlement process, prompting Congress in 1996, to include an amendment I offered to immigration reform legislation calling for the U.S. Trade Representative to take this action without further delay. But, it took three years for a resolution, and even then, the resolution was not crafted by the USTR.

Throughout the early months of the PST dispute, we in the state of Maine had enormous difficulty convincing our Federal trade officials that the PST was in fact an international trade dispute that warranted their attention and action. We had no way of knowing, whether problems similar to the PST

dispute existed elsewhere along the United States-Canada border, or whether it was a more localized problem. If a body like the Northern Border States Council had existed when the collection of the PST began, it could have immediately started investigating the issue to determine its impact and would have made recommendations as to how to deal with it.

The long-standing pattern of unsuccessful negotiations is alarming, with no solution on the horizon from the federal entities in charge, as the industry in Maine and other states in the U.S. continues to strive to stay competitive despite the trade barriers thrown up against their potatoes.

In short, the Northern Border States Council will serve as the eyes and ears of our States that share a border with Canada, and who are most vulnerable to fluctuations in cross-border trade and traffic. The Council will be a tool for Federal and State trade officials to use in monitoring their cross-border trade. It will help insure that national trade policy regarding America's largest trading partner will be developed and implemented with an eye towards the unique opportunities and burdens present to the northern border states.

The Northern Border States Council will be an advisory body, not a regulatory one. Its fundamental purpose will be to determine the nature and cause of cross-border trade issues or disputes, and to recommend how to resolve them.

The duties and responsibilities of the Council will include, but not be limited to, providing advice and policy recommendations on such matters as taxation and the regulation of cross-border wholesale and retail trade in goods and services; taxation, regulation and subsidization of food, agricultural, energy, and forest-products commodities; and the potential for Federal and State/provincial laws and regulations, including customs and immigration regulations, to act as nontariff barriers to trade.

As an advisory body, the Council will review and comment on all Federal and/or State reports, studies, and practices concerning United States-Canada trade, with particular emphasis on all reports from the dispute settlement panels established under NAFTA. These Council reviews will be conducted upon the request of the United States Trade Representative, the Secretary of Commerce, a Member of Congress from any Council State, or the Governor of a Council State.

If the Council determines that the origin of a cross-border trade dispute resides with Canada, the Council would determine, to the best of its ability, if the source of the dispute in the Canadian Federal Government or a Canadian Provincial government.

The goal of this legislation is not to create another Federal trade bureaucracy. The Council will be made up of individuals nominated by the Governors and approved by the Secretary

of Commerce. Each northern border State will have two members on the Council. The Council members will be unpaid, and serve as 2-year term.

The Northern Border States Council on United States-Canada Trade will not solve all of our trade problems with Canada. But it will ensure that the voices and views of our northern border States are heard in Washington by our Federal trade officials. For too long their voices have been ignored, and the northern border States have had to suffer severe economic consequences at various times because of it. This legislation will bring our States into their rightful position as full partners for issues that affect cross-border trade and traffic with our country's largest trading partner. I urge my colleagues to join me in supporting this important legislation.

By Ms. SNOWE:

S. 120. A bill to amend title II of the Trade Act of 1974 to clarify the definition of domestic industry and to include certain agricultural products for purposes of providing relief from injury caused by import competition, and for other purposes; to the Committee on Finance.

THE AGRICULTURAL TRADE REFORM ACT OF 1999

Ms. SNOWE. Mr. President, I am introducing legislation today to give agricultural producers, including potato producers, some important and badly needed new tools for combating injurious increases in imports from foreign countries.

The Trade Act of 1974 contains provisions that permit U.S. industries to seek relief from serious injury caused by increased quantities of imports. In practice, however, it has been very difficult for many U.S. industries to actually secure action under the Act to remedy this kind of injury.

The ineffectiveness of the Act results from some of the specific language in the statute. Specifically, the law requires the International Trade Commission, when evaluating a petition for relief from injury, to consider whether the injury affects the entire U.S. industry, or a segment of an industry located in a "major geographic area" of the U.S. whose production constitutes a "substantial portion" of the total domestic injury. This language has been interpreted by the ITC to mean that all or nearly all of the U.S. industry must be seriously injured by the imports before it can qualify for any relief.

Thus, if an important segment of an industry is being severely injured by imports that compete directly with that segment, the businesses who comprise this portion of the industry do not have much recourse—even though the industry segment in question may employ thousands of Americans and generate billions of dollars annually for the U.S. economy. In other words, our current trade laws leave large segments of an industry that serve particular regions and markets, or have

other distinguishing features, practically helpless in the face of sharp and damaging import surges.

In addition, even if large industry subdivisions could qualify for assistance, the time frames under the Trade Act for expedited, or provisional, relief for agricultural products are too long to respond in time to prevent or adequately remedy injury caused by increasing imports. At a minimum, three months must elapse before any relief can be provided, irrespective of the damage that American businesses may suffer during that time. And three months is an absolute minimum. In reality, it could take substantially longer to provide expedited relief.

Mr. President, when it comes to agricultural products, the problems in U.S. trade law that I have described remain acute. Due to their perishable nature, many agricultural products cannot be inventoried until imports subside or the ITC grants relief—if the industry is so fortunate—many months or even years later. And most agricultural producers, who are heavily dependent on credit each year to produce and sell a crop, cannot wait that long. They need assistance in the short-term, while the injury is occurring, if they are going to survive an import surge.

Also, because crops are grown during particular seasons and serve specific markets related to production in those growing seasons, the agricultural industry is more prone to segmentation. Finally, many of the agricultural industry entities that would have to file a petition for relief under the Trade Act are really grower groups that do not necessarily have the financial wherewithal to spend millions of dollars researching, filing, and pursuing a petition before the ITC.

The bill that I have introduced today is designed to empower America's agricultural producers to seek and obtain effective remedies for damaging import surges. It will make the Trade Act more user friendly for American businesses. Unlike the current law, which sets criteria for ITC consideration that are impossible to meet and that do not reflect the realities of today's industry, my bill establishes more useful criteria. It permits the ITC to consider the impacts of import surges on an important segment of an agricultural industry when determining whether a domestic industry has been injured by imports. This segment is defined as a portion of the domestic industry located in a specific geographic area whose collective production constitutes a significant portion of the entire domestic industry. The ITC would also be required to consider whether this segment primarily serves the domestic market in the specific geographic area, and whether substantial imports are entering the area.

Rather than rely solely on an industry petition to initiate an ITC review of whether provisional, or expedited, relief deserves to be granted, my bill would permit the United States Trade

Representative or the Congress, via a resolution, to request such review.

Because the time frames in the present law for considering and providing provisional relief are so long that the damage from imports can already be done well before a decision by the ITC is ever issued, this bill would shorten the time frame for provisional relief determinations by the ITC by allowing the commission to waive, in certain circumstances, the act's requirement that imports be monitored by the USTR for at least 90 days.

And, finally, the bill expands the list of agricultural products eligible for provisional relief to include any potato product, including processed potato products. Under current law, only perishable agricultural products and citrus products are eligible to apply for expedited relief determinations. But this narrow eligibility list unreasonably excludes important U.S. agribusinesses, such as our frozen french fry producers, from the expedited remedies available in the Trade Act.

For too long, American agriculture has been trying to combat sophisticated foreign competition with the equivalent of sticks and stones. My bill strengthens the position of American agricultural producers in the competitive arena, and will help provide effective remedies for agricultural producers, and provide effective deterrents to the depredations of their competitors from other countries. I hope other senators with an interest in fair play for our domestic agricultural producers will join me in cosponsoring this important legislation.

By Mr. FEINGOLD:

S. 121. A bill to amend certain Federal civil rights statutes to prevent the involuntary application of arbitration to claims that arise from unlawful employment discrimination based on race, color, religion, sex, age, or disability, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

#### CIVIL RIGHTS PROCEDURES PROTECTION ACT

Mr. FEINGOLD. Mr. President, I rise today to introduce the Civil Rights Procedures Protection Act of 1999. The 106th Congress will mark the fourth successive Congress in which I have introduced this legislation. Very simply Mr. President, this legislation addresses the rapidly growing and very troubling practice of employers conditioning employment or professional advancement upon their employees' willingness to submit claims of discrimination or harassment to arbitration, rather than pursuing them in the courts. In other words, employees raising claims of harassment or discrimination by their employers must submit the adjudication of those claims to arbitration, denying themselves any other remedies may exist under the laws of this Nation.

The right to seek redress in a court of law—the right to a jury trial—is one of the most basic rights accorded to employees in this nation. In the Civil Rights Act of 1991, Congress expressly created this right to a jury trial for employees when it voted overwhelmingly to amend Title VII of the Civil Rights Act of 1964.

The intent of the Civil Rights Act of 1991 and other civil rights and labor laws, such as the Age Discrimination in Employment Act of 1967, is being circumvented by companies that require all employees to submit to mandatory, binding arbitration. In other words, the company is compelling an agreement to arbitration without regard to basic civil rights of American workers or their right to secure final resolution of such disputes in a court of law under the rules of fairness and due process.

How then does the practice of mandatory, binding arbitration comport with the purpose and spirit of our nation's civil rights and sexual harassment laws? The answer is simply that it does not.

To address the growing incidents of compulsory arbitration, the Civil Rights Procedures Protection Act of 1999 amends seven civil rights statutes to guarantee that a federal civil rights or sexual harassment plaintiff can still seek the protection of the U.S. courts rather than be forced into mandatory, binding arbitration. Specifically, this legislation affects claims raised under Title VII of the Civil Rights Act of 1965, Section 505 of the Rehabilitation Act of 1973, the Americans with Disabilities Act, Section 1977 of the Revised Statutes, the Equal Pay Act, the Family and Medical Leave Act and the Federal Arbitration Act (FAA). In the context of the Federal Arbitration Act, the protections of this legislation are extended to claims of unlawful discrimination arising under State or local law and other Federal laws that prohibit job discrimination.

Mr. President, this bill is not anti-arbitration, anti-mediation, or anti-alternative dispute resolution. I have long been and will remain a strong supporter of "voluntary forms" of alternative methods of dispute resolution that allow the parties to choose not to proceed to litigation. Rather, this bill targets only mandatory binding arbitration clauses in employment contracts. Increasingly, working men and women are faced with the choice of accepting a mandatory arbitration clause in their employment agreement or no employment at all. Despite the appearance of a freely negotiated contract, the reality often amounts to a non-negotiable requirement that prospective employees relinquish their rights to redress in a court of law. Mandatory arbitration allows employers to tell all current and prospective employees in effect, "If you want to work for us, you will have to check your rights at the door." These requirements have been referred to as "front door" contracts;