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Senate

The Senate met at 9:45 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Monsignor Lloyd Torgerson, St. Monica Parish Community, Santa Monica, CA.

We are pleased to have you with us.

PRAYER

The guest Chaplain, Monsignor Lloyd Torgerson, offered the following prayer:

Loving and gracious God, we are filled with gratitude for the many blessings that You lavishly bestow upon us and upon our beloved Nation. We thank You for giving the men and women of this Senate the privilege and responsibility of serving this great Nation.

Inspired by the words of Oscar Romero, we pray that they may have the wisdom to understand their role of leadership, knowing that they can accomplish in their lifetime only a tiny fraction of the magnificent enterprise that is the Lord's work. Help them believe that they are essentially about planting seeds that will one day grow and watering seeds already planted, knowing that they hold future promise.

As we enter this millennium may these men and women lay foundations that will endure and be the yeast that will produce effects far beyond their own capabilities. Show them what they can do to make the world a better place for all humankind. May the realization that they cannot do everything, give them a sense of liberation which will empower them to choose priorities and act with integrity.

Bless them as they work to build a Nation of justice, peace, and right relationship; grant them insight; grant them steadfastness to respond to the challenges of this new century. May they always trust in a God of faithfulness who walks before them, behind them, and with them. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MIKE CRAPO, a Senator from the State of Idaho, led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. CRAPO). The acting majority leader is recognized.

Mr. ALLARD. Mr. President, before I proceed, I yield a minute or two to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

MONSIGNOR LLOYD TORGERSON

Mr. KENNEDY. Mr. President, this morning's session of the Senate was opened by Reverend Monsignor Lloyd Torgerson of Santa Monica, California. I welcome this opportunity to commend Monsignor Torgerson for his eloquent prayer and for the wisdom he has offered the Senate.

Monsignor Torgerson is a pastor at the Santa Monica Parish where he has served with great distinction for many years. He ministers to over 7,000 families, as well as an elementary school and a high school. He also serves at the Archdiocese level in Los Angeles, and is Dean of the 19 Westside parishes.

Over the years, Chaplain Ogilvie and Monsignor Torgerson have developed an excellent friendship through their work in the Los Angeles community. In fact, Monsignor Torgerson baptized all four of Chaplain Ogilvie's grandchildren.

The Senate is graced and honored by Monsignor Torgerson's presence this morning. I commend him for his inspirational prayer and for his service as our guest Chaplain. I ask unanimous consent that biographical information on Monsignor Torgerson's distinguished career be printed in the RECORD.

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

REV. MSGR. LLOYD TORGERSON, PASTOR, ST. MONICA PARISH COMMUNITY

Rev. Msgr. Lloyd Torgerson was born in East Los Angeles in 1939 and attended St. Alphonsus Elementary School and Los Angeles Community College High School. Msgr. Torgerson completed his training for the priesthood at St. John's Seminary in Camarillo, California. He was ordained a Roman Catholic Priest in May, 1965 and his first assignment was at Holy Trinity Parish in San Pedro where he served for five years. Msgr. Torgerson was sent to complete his graduate degree in Religious Education at Fordham University in New York in 1970/71 and came back to serve the Los Angeles Archdiocese as Director of Youth Ministry. After eleven years, he was named the Director of Religious Education for the Archdiocese. Msgr. Torgerson has been in residence at St. Monica for twenty-one years and has served as pastor for the last thirteen years. St. Monica Parish has over 7,000 families, an elementary school, high school and a large outreach to the community of Santa Monica. His work as pastor and leader of St. Monica Parish includes parish administration, campaign and restoration of St. Monica Catholic Church and schools, adult education and formation, bringing new adults into the church, young adult ministry, working with the elderly, teaching in the schools, liturgy, hospital visitation, bereavement, and many other outreaches in this parish community.

In Santa Monica, Msgr. Torgerson participates in Rotary, is a member of the Board of Directors of the Boys' and Girls' Club of Santa Monica, and the N.C.C.J. On the Archdiocesan level, he is Dean of the nineteen Westside parishes, on the Finance Council, the Tidings Board and the Cathedral Complex Restoration Committee. In March, 1999 through the present he is Episcopal Vicar of Our Lady of the Angels Pastoral Region.

SCHEDULE

Mr. ALLARD. Mr. President, today the Senate will resume debate on the Transportation appropriations legislation. Under the order, Senator

VOINOVICH will be recognized to offer his amendment regarding passenger rail flexibility. A vote on the Voinovich amendment is expected to occur this morning at a time to be determined. Further amendments will be offered and voted on with the hope of final passage early in the day. As usual, Senators will be notified as votes are scheduled.

Following the disposition of the Transportation legislation, the Senate may resume consideration of the Department of Defense authorization bill or any appropriations bills available for action.

I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

The PRESIDING OFFICER. Under the previous order, the Senate will now resume H.R. 4475, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4475) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

The PRESIDING OFFICER. Under the previous order, the Senator from Ohio, Mr. VOINOVICH, is recognized to offer an amendment.

The Senator from Ohio.

Mr. VOINOVICH. Mr. President, I ask unanimous consent to have 90 minutes, equally divided, and that there be no second-degree amendments in order in regard to this amendment I intend to send to the desk.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, we hope we can work something out on the time. I have spoken to Senator VOINOVICH, and we want to cooperate as much as we can. We have a couple of Senators we need to check this with. We have not been able to do that, so at the present time I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. It would be my suggestion, Mr. President, that Senator VOINOVICH go ahead and offer his amendment. As soon as we get word on whether or not we can accept the unanimous consent request, we will interject ourselves and try to get that entered.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. VOINOVICH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. BUNNING). Without objection, it is so ordered.

Mr. VOINOVICH. Mr. President, noting the objection, in discussing this amendment, I am going to proceed to give my statement and I will send my amendment to the desk following my remarks and the remarks of my colleagues.

Mr. President, when I first introduced S. 1144, the Surface Transportation Act, more than a year ago, I did so thinking that our State and local governments should have the maximum flexibility possible in implementing Federal transportation programs.

I still firmly believe that our State and local governments know best which transportation programs should go forward and at what level of priority.

As the only person in this country who has served as President of the National League of Cities and Chairman of the National Governors' Association, and one who has worked with the State and local government coalition, which we refer to as the Big 7, I have great faith in State and local governments, and I believe they should have maximum flexibility in determining how best to serve all of our constituents.

I think one of the best examples of how state and local governments work to benefit our constituents is what we have been able to do with the welfare system in this country when we let the States and local governments take it over.

That is why I am offering this amendment today—to give our State and local governments the flexibility they need to make some key transportation decisions that will best suit their needs.

The amendment I am offering will give States the ability to use their Federal surface transportation funds for passenger rail service, including high-speed rail service.

This amendment is identical to section 3 of S. 1144. It allows each State to use funds from their allocation under the National Highway System, the Congestion Mitigation and Air Quality Program, and the Surface Transportation Program for the following: acquisition, construction, reconstruction, rehabilitation, and preventative maintenance for intercity passenger-rail facilities as well as for rolling stock.

As my colleagues know, under current law, States cannot use their Federal highway funding for rail, even when it is the best transportation solution for their State or region. Since States are assuming a greater role in developing and maintaining passenger and commuter rail corridors, I think it makes sense that States be given the most flexibility to invest Federal funds in those rail corridors.

Part of being flexible is making sure we consider all of our options. It is similar to the 4.3-cent-per-gallon gas tax repeal effort that we faced in the Senate this past April. High gasoline prices exposed that we have no national energy policy. With prices currently over $2 per gallon in several areas in the Midwest, the fact that we still have no national energy policy is now really being felt by the American public.

With the need for a national energy policy plainly evident, we need to put all our options on the table. We need to look at expanded rail transportation, conservation, exploration, alternative fuels, and so on. We need to put all of the right ingredients together that will make for a successful transportation policy.

In addition to the high gas prices, I think the Senate should recognize the fact that there is an appeal pending in the Supreme Court of the United States of America on the issue of the Environmental Protection Agency's new proposed ambient air standards for ozone and particulate matter. If the Supreme Court overrules the lower court's decisions that those new standards are not justified, then we will find throughout the United States of America many communities, including communities in my State—where we have achieved the current national ambient air standards in every part of our State—that will be in nonattainment. If the new standards are implemented, we will need more tools to deal with the pollution.

With the need for a national energy policy plainly evident, we need to put all of our options on the table. We need to look at expanded rail transportation and conservation and all the rest.

As States are more able to turn towards passenger rail service as a safe, reliable, and efficient mode of transportation, we will relieve congestion on our Nation's highways. With fewer cars on the road, contributions to air quality improvements and lower gas consumption will be realized.

Again, the idea behind my amendment is simple. States understand their particular transportation challenges better than the Federal Government. I believe it is the States' right and obligation to use whatever tools are available to efficiently meet the transportation needs of their citizens. In this instance, the Federal Government should not stand in their way but work as a partner to give them the flexibility they need to develop a successful policy.

S. 1144 had 35 bipartisan Senate cosponsors. This particular amendment we are offering today is endorsed by the National Governors' Association, the U.S. Conference of Mayors, the National League of Cities, the Council of State Governments, the National Conference of State Legislatures, the National Association of Rail Passengers, and the Friends of the Earth.

I have yet to convince some of my colleagues that this amendment will

give our States and localities the latitude they need to make proper and cost-effective transportation decisions.

First and foremost, this amendment does not mandate that any portion of a State's highway dollars be used for rail. If a State wants to use all their highway dollars the same way they have been doing for the past few years under TEA–21, then they will be able to do that. It does not establish a percentage of how much is set aside for rail. If a State wants to use highway dollars for rail, then the State decides the amount to meet the particular needs. Governors will have to work with legislators to decide if they want to use it for rail and how much can be used for rail.

So often when we talk about such issues—''the Governors are going to use this money for rail''—my colleagues and I know that Governors recommend and the legislatures then decides whether they are going to follow the recommendations. In my State, looking back on my years as Governor, I think Ohio probably will not use this flexibility provision. But the fact is, it ought to be available to any State if it thinks it is in its best interest.

There is very strong support from outside the Beltway for each State's right to spend its Federal transportation funds on passenger rail. States understand their particular transportation challenges better than the Federal Government and therefore should be given the flexibility to use their highway dollars for rail transportation. There are no mandates on the States to do this. It is totally at the discretion of the States.

We face a historic opportunity today to provide the States with the flexibility they need to meet their growing transportation needs. I urge my colleagues to vote in favor of this amendment.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. CLELAND. Mr. President, I rise in strong support of the amendment to be offered by my distinguished colleague from Ohio. People in my region of the country in the South are usually known for their position in favor of States rights. This is not just a transportation issue; this is a States rights issue. This amendment is not a mandate. It is not a threat to highways or the Highway Trust Fund. It would not change any Federal transportation formulas. It requires not a penny in new spending. What it does do is to give States the option to spend Federal transportation funds on intercity passenger rail. What this amendment does do is give States the opportunity to make transportation spending decisions based on their own local needs.

Mr. President, part of my State is in a transportation crisis. Metro Atlanta has the worst traffic congestion of any southern city, and our drivers have the longest commute in the Nation. Due in large part to the exhaust from nearly three million vehicles, Atlanta's skies are in violation of national clean air standards. For two years now, Federal funds have been frozen for new transportation projects. The bottom line? Metro Atlanta's congestion and pollution problems are now threatening our most valuable selling point: our quality of life.

The good news is that the best transportation minds in the State have rallied around Metro Atlanta's transportation crisis. These movers and shakers are not afraid to redraw the maps. The result is a new transportation plan that is going to meet our air quality goals, and that plan devotes 60 percent of Georgia's transportation dollars to rail. Georgia has dramatically reformed its transportation focus: from moving cars to moving people, from promoting sprawl to promoting smart growth.

As the folk song says, ''the times they are a-changing.'' We're about to witness a rebirth of rail in Georgia, rivaled only by the days before General Sherman when Atlanta was the undisputed railroad hub of the Southeast. And key to this vision is intercity rail. The amendment before us, if adopted, will be a Godsend to my state. Let me state loud and clear, this amendment will be a Godsend not just to Georgia, for Atlanta's commuter congestion is mirrored in countless highways across America. One viable solution to two of the 21st century's most challenging and frustrating problems, smog and gridlock, may very well be found in a renaissance of rail, not just in my home State, but throughout this great Nation.

For those States which see rail as key to their transportation future, we should at least give them another option for financing their intercity rail investments. Our amendment will do just that. It will give states whose highways and skyways are clogged with traffic not a mandate, but a chance to use their CMAQ, National Highway System, and Surface Transportation Program funds on passenger rail if they want to.

I urge my colleagues to vote for the bipartisan measures before us. The National Governors Association, the U.S. Conference of Mayors, the Council of State Governments, the National League of Cities and the National Council of State Legislatures are all on record in support of providing flexible funding for passenger rail. This is States' rights legislation, and it's the right legislation for a balanced transportation system in the 21st century.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I rise in opposition to this measure. I yield myself 10 minutes in opposition.

The PRESIDING OFFICER. There is no time limit.

Mr. BOND. There is no time agreement? I thank the Chair. I will take such time as I require then.

Mr. President, my colleague from Ohio has offered an amendment which I believe takes us down the wrong tracks, very far in that direction. He has offered an amendment that would allow our precious highway resources to be used for Amtrak.

My colleague from Georgia has talked about the sad situation in Georgia where their highway funds are frozen because the courts have overturned a previous policy of the Federal Government to allow highway transportation projects to continue. I urge his and my other colleagues' support of my measure on conformity that would allow needed highway construction to go forward.

As to this amendment, many would argue this is an issue of States rights. That is just not the case. I am a former Governor. One would be hard pressed to find anyone in this body who is a stronger States rights advocate than I am. I intend to continue to be so. There will be those who will try to convince us this is anti-Amtrak. That is not the case. As Governor of the great State of Missouri, I was the one who ensured that my State provided its own resources in an effort to help subsidize Amtrak.

This is an issue of a dedicated tax for a dedicated purpose. We told the American people we were going to put the trust back into the trust fund. This is an issue of Congress upholding its end of the agreement with the American people.

It has just been 2 years this month since the Transportation Equity Act of the 21st century—better known as TEA–21—was signed into law. In my opinion, the most historic and the most important provision of TEA–21 was the funding guarantee that I authored with our late friend, Senator John Chafee, with the assistance and the guidance of the Budget and Appropriations Committees. Some called that provision RABA, or revenue aligned budget authority. Up here, it is often called the Chafee-Bond provision. In Missouri, we call it the Bond-Chafee provision. But the whole intent of that measure was very clear. We have a dedicated tax that was imposed on the American people for the purpose of highway improvement and safety issues. We lose too many lives in my State and in every State in this Nation because of inadequate highways. Over 30 percent of the deaths on our highways nationally are a result of inadequate highway and bridge conditions.

We told the American people for the first time we were going to allow them to trust the trust fund; that when they put the money in when they bought the gas at the pumps, we would put it back for highway trust fund purposes. That is what the funding must be spent on under the guarantee—highway improvements and safety issues. Because of the guarantee, our road and bridge improvements are financed on a pay-as-you-go basis.

We drive on the road. We buy the gas. We pay the tax. We build better roads and safer roads to protect our citizens,

to provide convenience and safety, to get rid of the pollution that comes from congestion, and to assure sound economic growth in our communities and in our States.

I don't think this debate should even occur. It should not even be an option for us to decide whether or not we will use the highway trust fund money for other purposes. How soon we forget. We made those decisions just 2 years ago in TEA–21. Do we want to reopen the whole highway funding and highway authorization measure again? Let's not start down the path of reopening TEA–21. We made accommodations. We made changes. We made compromises. We included other projects and other activities such as transit in TEA–21. We made a deal—not just with us but with the taxpaying American public.

Earlier this year, the administration proposed to divert funding coming from the highway trust fund to Amtrak and other purposes. At that time, my colleague from Ohio, I, and countless other Senators made it clear that we opposed the administration's attempt to rob the highway trust fund. I had an opportunity to discuss this with Secretary Slater at our Transportation appropriations hearing and suggested to him that ''this dog won't hunt.'' This dog isn't a much better hunter either.

I don't believe that the people in my State who pay the taxes or in the States of my colleagues who pay the taxes are going to be excited about this. This amendment is similar to the previous effort by the administration to divert funding. It takes us down the path of diluting our highway funding for purposes other than highways and highway safety.

I have a simple question for my colleagues to think about: Why are we talking about using our highway funds for Amtrak and not using our transit funds for Amtrak? I personally think transit funds would be more appropriate if it fit into the transit plan. OK. Let them use transit funds because that is essentially what Amtrak is; it is a form of transit. It should not be competing with the scarce dollars to build safe highways, roads, and bridges.

I remind my colleagues that we have a transportation infrastructure crisis on our hands. Two years ago, Governors, commissioners, highway departments, city officials, and everyday Americans told us we were not investing enough in our highway infrastructure. They let us know that the deterioration of our highways and bridges was having a tremendous impact on their local and State economies and, more importantly, on the safety of their citizens. We are still not getting enough money into highway improvements. The latest I heard, and to the best of my knowledge, no State in the Nation has even 80 percent of its highways up to a standard the Department of Transportation regards as fair. Every State, to my knowledge, has at least a 20-percent deficit in adequate highways, roads, and bridges.

These are just some of the reasons so many of us fought to ensure that we would keep our commitment to the American people regarding the highway trust Fund.

We increased spending on our Nation's highway infrastructure because our needs were much greater. I know with absolute certainty that the needs identified just 2 years ago have not gone away, and they are not going to go away if we continue to divert money and if we try to divert money from the highway trust fund. These needs still exist.

We told the people of America we would put trust back into the trust fund: Trust us. Trust us to spend your highway taxes that go into the highway trust fund for highway trust fund purposes.

The National Highway System was part of the grand national scheme. This was a national scheme to ensure that people in any State in the Nation could travel to any other State in the Nation and be safe on a National Highway System. That is what this is all about. This isn't about States having their own little, independent highway programs with four-lane highways that end in a cornfield at somebody's border. This is about having a National Highway System where there is safe transit on interstate highways.

Trust fund taxpayers in my State, and your State, and every other State, expect when they pay the money in, it will go to assure that when they drive in their State or in any other State, they will be driving on safe highways; they will not be putting themselves and their loved ones and their families at risk from unsafe highway conditions.

To my donor State colleagues—those of us whose states pay more into the highway trust fund than they get out—think about this for a minute: You have highway needs in your State. Yet under this proposal, you would see the highway trust fund dollars your citizens put into the highway trust fund going into Amtrak. That is not keeping faith with the commitment we made in the highway trust fund.

Let's talk about States rights. I have often thought that maybe we really ought to do a States rights approach to this and let the States have all the money they raised. You want to talk about States rights. Let's keep the highway trust fund dollars in each State as they are contributing. That is States rights.

We agreed in TEA–21 that we were going to have a trust fund for a National Highway System—not a national Amtrak system. We are providing funds in this bill for Amtrak.

We know that improvements and repairs to our highway system will help improve driving conditions, will reduce driving costs to motorists, will relieve congestion, and will reduce the number of accidents and fatalities. The cost of repairing roads in poor condition can be about four times as great as repairing roads that are in fair condition. We have to keep our roads in at least fair condition. Our Nation's roads and bridges are at a high level of deterioration.

A recent headline in the Capital City newspaper in Missouri said that my State of Missouri ranks seventh nationally in poor bridges. We need to do something about those bridges; they are dangerous. The highways are dangerous and we need to do something about them.

Look at the other side. This is not an issue of trying to deny Amtrak resources. Senators SHELBY and LAUTENBERG included in the underlying Transportation bill, which I support, $521 million for Amtrak's capital program. I have supported that. That is $521 million for Amtrak for capital. That $521 million provided is consistent with the administration's request, and it is consistent with the so-called glidepath level of Federal funding agreed to by the administration and Amtrak.

We continue these huge Federal subsidies, even though Amtrak's financial situation is precarious at best. According to the Senate report, the Federal Railroad Administration has said that Amtrak ended the 1999 fiscal year with a net operating loss of $702 million.

Since 1971, Amtrak has received over $23 billion in Federal funding for operating and capital expenses. Despite Amtrak's efforts to improve and its new business plan, it is still not clear whether or not Amtrak will reach self-sufficiency. I said that I support the appropriation for Amtrak in the underlying bill. I have used Amtrak. I am happy to work with my colleagues in the Senate, my former fellow Governors, and others, to see that we put money into Amtrak. But this issue is not about Amtrak. This is an issue about keeping our commitment to the taxpaying citizens of our States and of this country, whom we told we were going to put the ''trust'' back in the highway trust fund.

I strongly oppose the Voinovich amendment because it violates that promise. We can't even keep a promise for 2 years. We said we were putting the ''trust'' back in the highway trust funds. That is what the highway trust fund is all about. I think this amendment violates the agreement made during TEA–21, and I strongly urge my colleagues to oppose the Voinovich amendment.

I yield the floor.

The PRESIDING OFFICER. Will the Senator from Ohio please send his amendment to the desk.

AMENDMENT NO. 3434

(Purpose: To provide increased flexibility in use of highway funding)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. VOINOVICH], for himself, Mr. CLELAND, Mr. ROTH, Mr. MOYNIHAN, and Mr. LAUTENBERG, proposes an amendment numbered 3434.

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

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

The amendment is as follows:

At the appropriate place in title III, insert the following:

SEC. 3___. FUNDING FLEXIBILITY AND HIGH SPEED RAIL CORRIDORS.

(a) ELIGIBILITY OF PASSENGER RAIL FOR HIGHWAY FUNDING.—

(1) NATIONAL HIGHWAY SYSTEM.—Section 103(b)(6) of title 23, United States Code, is amended by adding at the end the following:

''(Q) Acquisition, construction, reconstruction, and rehabilitation of, and preventative maintenance for, intercity passenger rail facilities and rolling stock (including passenger facilities and rolling stock for transportation systems using magnetic levitation).''.

(2) SURFACE TRANSPORTATION PROGRAM.—Section 133(b) of title 23, United States Code, is amended by inserting after paragraph (11) the following:

''(12) Capital costs for vehicles and facilities, whether publicly or privately owned, that are used to provide intercity passenger service by rail (including vehicles and facilities that are used to provide transportation systems using magnetic levitation).''.

(3) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—Section 149(b) of title 23, United States Code, is amended in the first sentence—

(A) in paragraph (4), by striking ''or'' at the end;

(B) in paragraph (5), by striking the period at the end and inserting ''; or''; and

(C) by adding at the end the following:

''(6) if the project or program will have air quality benefits through acquisition, construction, reconstruction, and rehabilitation of, and preventative maintenance for, intercity passenger rail facilities and rolling stock (including passenger facilities and rolling stock for transportation systems using magnetic levitation).''.

(b) TRANSFER OF HIGHWAY FUNDS TO AMTRAK AND OTHER PUBLICLY-OWNED INTERCITY PASSENGER RAIL LINES.—Section 104(k) of title 23, United States Code, is amended—

(1) by redesignating paragraph (3) as paragraph (4);

(2) by inserting after paragraph (2) the following:

''(3) TRANSFER TO AMTRAK AND OTHER PUBLICLY-OWNED INTERCITY PASSENGER RAIL LINES.—Funds made available under this title and transferred to the National Railroad Passenger Corporation or to any other publicly-owned intercity passenger rail line (including any rail line for a transportation system using magnetic levitation) shall be administered by the Secretary in accordance with subtitle V of title 49, except that the provisions of this title relating to the non-Federal share shall apply to the transferred funds.''; and

(3) in paragraph (4) (as redesignated by paragraph (1)), by striking ''paragraphs (1) and (2)'' and inserting ''paragraphs (1) through (3)''.

Mr. REID. Mr. President, on behalf of the leader, I ask unanimous consent that with respect to Senator VOINOVICH's amendment on passenger rail flexibility, the vote occur on or in relation to the amendment at 11 a.m. today with the debate until 11 divided in the usual form. I further ask consent that no amendments be in order to the amendment prior to the vote.

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

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Mr. President, I am on the side of the Senator from Ohio. I don't know what the agreement is as to who has jurisdiction over the time, but I believe——

The PRESIDING OFFICER. The Senator from Ohio controls half of the time, and the manager or his designee controls the other half.

Mr. LAUTENBERG. How much time remains, Mr. President?

The PRESIDING OFFICER. There are 20 minutes for the Senator from Ohio and 17 minutes for the opposition.

Mr. BIDEN. Mr. President, I ask the Senator from Ohio whether he would be willing to yield me 7 minutes?

Mr. VOINOVICH. I would be more than happy to do so.

Mr. BIDEN. Mr. President, I thank the Senator from Ohio and the Senator from Rhode Island for taking the lead on this important amendment this year. As a former Governor and mayor, they can both tell you firsthand about the need for State and local governments to have flexibility to make the best use of their transportation dollars as they see fit.

I find this kind of fascinating. Here we are and we talk about States rights and doing what the States need and the States know what their requirements are. Yet repeatedly when I have introduced this same amendment without the help—hopefully, it will change now because I have a former Republican Governor who has done the job. He is here in the Senate. I have stood up on the floor since 1991 introducing this amendment and I have been told that the Governors don't want this, or that this is inconsistent with the Republican philosophy, or whatever.

Now we have a Governor from one of the largest States in the United States who has done the job—and he obviously did it very well—who says, along with a former mayor from one of our smaller States but with more concentrated cities, that this is a flexibility that will help. Why should you be put in a position as a Governor when, in fact, you are able to, by the way, have flexibility with this money and to decide how you want to use your highway money, and you decide you want to put a bus route on, you can do it? Why can't you use the railroad? This sacrosanct principle I always hear from my friend from Missouri I find fascinating. What is the difference between a bus and a railroad? It is not a road. Guess what. It is on a road. The cement and asphalt guys like that a lot. They don't like the idea that we would make it better for our constituents and Governors have the choice and flexibility.

We are not asking for more money; we are asking for flexibility. I would think it is just common sense. The record shows that the Senate has gone on record time after time—in 1991, 1995, and 1997—in favor of this same proposal before us today in the Voinovich amendment. Time and again, the language has been dropped in conference with the House, which is why we are here again today.

In addition to the same common sense, we are also here to restore balance to the way our transportation dollars are spent. Once again, the highway lobby, which is not content to consume its own large share, is trying to keep Amtrak from having a little bit of a share of the leftovers that go on after other modes of transportation have been taken care of. I guess we will have that business to deal with today.

First, the issue is common sense. Under current law, States are permitted to make their own choices to use the money for certain Federal transportation programs for mass transit, hike and bike trails, driver education, and even snowmobile trails. This is not a very restrictive list, Mr. President. In fact, there is only one kind of transportation that Governors and mayors aren't allowed to consider; that is, inner-city passenger rail.

Isn't that funny? They are going to give the folks in Minnesota, as we should, the ability for the Governor to decide he wants to spend highway money for snowmobile trails. Well, that is his business. They need that, according to the people in Minnesota. We don't need it in Delaware. We need rail. As my friend, and the leader on this subject for the entire time he has been here, the Senator from New Jersey, says—and one of my greatest regrets is that he is leaving voluntarily, and I mean that sincerely. He has one of the few logical voices in this debate. He and I come from States that if you widen I–95, it will accommodate the reduction of rail transportation and you are going to take up the bulk of my State. It would take another seven lanes. Look, I don't tell the folks in Missouri what they need. I don't tell the Governor of Missouri that he should or should not build more roads. Why can't you let the Governor of the State of Delaware decide whether or not it is better for us to have rail transportation between Wilmington and Newark, DE, instead of having to build another lane on I–95?

We all know why Amtrak is off the list. It is politics, pure politics. It has nothing to do with good public policy or a principle of federalism. What sense does it make to go out of our way to tie our Governor's hands when it comes to inner-city transportation? It makes no sense. That is why the Senate has supported this language time and again—unanimously, in some cases, in the past, and with strong bipartisan support. Here is what is at stake when you think about this little proposition: A little balance in our transportation spending.

Mr. President, last year Amtrak received $571 million in Federal funding. The highway system got $53 billion; and $20 billion of that was over and above the gas tax and users' fees that make some folks believe they are paying their own way. Again, $20 billion.

We are talking $571 million for Amtrak.

I am not here to argue against full funding of the highway system. However, a lot of places such as the Northeast corridor are not going to be able to add another lane to I–95. We have to have another option for our transportation dollars. That is all this amendment does. It gives, along with every other State, an option we need to keep intercity transportation and rail systems viable. That includes States in the Midwest, West, and South, which is why S. 1144, the bill on which this amendment is based, is cosponsored by 36 Senators including, I note with interest, the distinguished majority leader.

The simple notion of balance says we ought to give all the parts of our transportation system the resources they need and we should give our citizens the full range of transportation choices that citizens in every other advanced economy in the world can now take for granted. It is time to stand up for this language. There is no principled argument on Federalism.

I thank my friend from Ohio for his leadership, and I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SMITH of New Hampshire. Mr. President, this is one of these issues that gets convoluted. Unfortunately, in my role as the chairman of the Environment and Public Works Committee, I must object to this authorizing amendment to the appropriations bill. I join several of my distinguished colleagues, including my ranking member, Senator BAUCUS, in this regard.

I point out upfront I am a cosponsor of S. 1144. I support State flexibility. I support a cost-effective rail system that is efficient. And I encourage Amtrak to move towards privatization. The States do have an interest in developing passenger rail. I want the States to have that flexibility, which is why I cosponsored S. 1144.

Rail funding flexibility is a complex subject central to the so-called TEA–21 legislation which was debated and negotiated over many months in the last Congress. This issue is squarely in the jurisdiction of the authorizing committee, not the Appropriations Committee. We have had this fight many times before. The majority leader has spoken eloquently on this matter time and time and time again. We basically render the authorizing committees powerless, useless. What is the purpose?

I have spent days and days and days and weeks and weeks in an effort to resolve a matter that deals with buses, an amendment or some language that would be acceptable so we could vote for this. If we had done that, perhaps we wouldn't be here now. Instead, we are now faced with a decision. I have to oppose something that in essence I support, but for some language that would deal with the problems the bus companies have.

This is an authorizing committee matter. Time and time again we legislate on appropriations bills, and time and time again the authorizing committees become useless. Since it has been reported, I have spent several months working on substantive amendments to this bill. This bill has holes. On behalf of rail flexibility and the railroads, I have tried my best to get around the holes, to no avail.

This provision requires more thought, more consideration, better timing. Members of the Environment and Public Works Committee have a difference of opinion on this amendment. I respect that. That is the way the process works. I have no problem with people having their own views, and I am sure they don't have a problem with me having mine. We ignore the authorizers' concerns if we shove this through on an appropriations bill. The House appropriations bill had another version of rail flexibility, and it was struck by a point of order.

I am very concerned about continuing Amtrak competition with intercity bus service, which is why I have spent with my staff on the committee weeks and weeks negotiating, working, trying to come up with language that would be acceptable. Rail service will prosper if it is integrated with feeder bus service. That is how rail will prosper. The rails have limits as to where they can go. Feeder buses have more flexibility. That enhances the rail.

Not included in this amendment is a specific prohibition against these funds being used for Amtrak operating subsidies. Not included in this amendment is any mechanism to prevent below-cost pricing that damages existing bus service. And not included in this amendment is any mechanism to ensure rail and bus service are integrated. This amendment in its current form leaves many holes in this important policy, without protecting the buses or the State government from the influence of Amtrak.

Balanced intercity transportation is important. This amendment cannot strike the right balance, I regret to say. I ask my friends in the Senate to keep this provision in the jurisdiction of the Environment and Public Works Committee where it belongs. If you are on the committee, do what I am doing, even though in essence, with the exceptions I noted, I support S. 1144. Keep this matter in the jurisdiction of the committee where it belongs.

We will continue our hard work on making it good legislation for all the competing interests. If this provision goes on the appropriations bill, my committee cannot work on negotiations in conference. All who worked so hard to craft this, going back to when my predecessor was chairman of this committee, Senator John Chafee, when the process began, S. 1144 was marked out of committee and put on the Senate calendar. The idea behind that is, if there is a conference on this bill with the House Members of the Environment and Public Works Committee, which brought the bill out, we would have a right to conference. We are not even going to be in the conference now. We are totally shut out of the process.

I say to my colleagues, I don't care where you are on the issue itself—whether you are for rail, bus, no rail flexibility, total rail flexibility—the right thing to do here is to support a rule XVI point of order because it is legislating on appropriations. Senator LOTT has spoken about that issue over the past several weeks. I encourage my colleagues to support the rule XVI point of order. I am not sure who yet will raise that point of order. I may do it, Senator BAUCUS may do it. We will talk about that. The point is, the rule should be raised and will be raised. I encourage my colleagues to support the rule XVI point of order to this legislation on appropriations bills.

I yield the floor.

Mr. LAUTENBERG. Mr. President, I ask the Senator from Ohio to yield me 5 minutes.

Mr. VOINOVICH. I yield.

Mr. LAUTENBERG. I thank the Senator from Ohio and congratulate him for his foresight. He is among the best to know what to do in a situation such as this, having served as a Governor of Ohio and mayor, as we earlier heard from our friend from Delaware.

We are simply asking for flexibility to use certain highway funds for mass transit investments. I think that is a pretty good idea. The Voinovich amendment merely extends that flexibility to include Amtrak expenses.

We do not have much new here, except to make certain that if a Governor, if a State, if the people in that State choose to use some of the highway money they are going to have on rail, they have an opportunity to do so. I, frankly, think it is an appropriate local decision. We often have disputes here about whether we are invading States rights, seizing their prerogatives. This one surprises me because what I hear from the opponents, largely, is: Well, my people have put money into the trust fund from the gasoline taxes and we want it spent on highways.

I can tell you, coming from New Jersey, we don't get very much of a return on the money we send down here. As a matter of fact, I am embarrassed to tell some of my constituents that we have among the lowest—perhaps the lowest—return on money we send to Washington. So we understand the concerns there. But this is in the national interest. As we hear the discussion, we say it should be to guarantee a National Highway System. The highway system is getting by far the lion's share. If a State says it would also like to be investing in intercity rail service, I think it ought to be able to do it.

Some say all the money going to rail, to Amtrak, is largely in the Northeast corridor. That may be a fact of life because most of the people in the country

are squashed into that little area, the Northeast quadrant of the United States. But also, as we look at plans, there are plans to take trains from Chicago to St. Louis. If the investments are properly made there, we will knock about 2 hours off the trip from Chicago to St. Louis. I assume that is an important route. It is a Midwest route, Chicago to St. Louis, MO—that is a pretty busy area, too. And there is congestion there: Been there, done that; I have seen it myself. Traffic on the highways is bottled up.

We are clogging the airlanes to such a point they cannot function. There was an article in the paper the other day about runway incursions. They are way up, 27 percent in just 5 months this year. That is an ominous thing to think about. We are always concerned about airplanes falling out of the sky. Our system is fundamentally safe, but runway incursions happen for a couple of reasons, not the least of which is it is just too crowded. There are too many airplanes fighting for the same space to land or to take off or for slots to permit their passengers to disembark.

We are looking at a situation now, as we heard from the Senator from Delaware, where we cannot put anymore concrete down without recognizing there is a terrific consequence to that. We talk about urban sprawl; we talk about consuming all the land that is under us. We know one thing is true: Rail is an efficient way to go. So we ought to say, OK, I will butt out of your business. If the Governor of Missouri or Governor of Illinois or the Governor of New Jersey chooses to use some of their highway funds on intercity rail and convinces their legislature to do that, we ought to agree. We ought to do it. That is usually the cry here: Let the States decide. As much as possible, I would like to see them do that.

What we see here is an excellent opportunity to present a States rights issue and allow the decisions to be made at the local scene where they are going to have the greatest impact. I hope we are going to see full support for this amendment. This is a matter of direct choice.

I yield the floor and encourage all my colleagues to support the amendment the Senator from Ohio has wisely offered.

Mr. BAUCUS. Mr. President, I ask unanimous consent to speak for 5 minutes.

Mr. SMITH of New Hampshire. I yield to the Senator 5 minutes.

Mr. BAUCUS. Mr. President, this has an intriguing, alluring, siren call: Let the Governors and State legislatures divert it. It sounds good on the surface. But like a lot of issues, let's stop and think about the actual consequences.

First of all, when we passed the last highway bill, even though we increased the amount of dollars to go from Federal gasoline taxes into the trust fund, back out to the States for highway construction, we all knew we had not even begun to fully take care of our Nation's roads, highways, and bridges. And we have not. The Department of Transportation, the Federal Highway Administration, has done study after study that shows we only meet one-half of our Nation's needs—one-half.

Some of you saw on television last night the report about all the red lights, people caught up in traffic. We know about the potholes. We know about roads and bridges and highways that are not up to snuff. What do we also know? We also know that our highways, as good as they are, are not as durable and as lasting as, say, some European highways, German highways.

Why is that? That is because so much more research and development and expense in dollars goes into that highway system to make those the best in the world. We have problems. We think we have a good highway system—it is good, but the Department of Transportation has concluded, from study after study, we are only halfway there, even with ISTEA that we passed a couple of years ago. So anybody who thinks we should start diverting money from the highway fund better think twice about whether or not we are keeping up with our Nation's highway needs. The answer is that we are not.

Second, the highway program is trusted by Americans. Why is that? Basically because Americans know the Federal gasoline tax, as well as the State gasoline tax, goes into highway construction and maintenance and that is it. A few years ago, we decided to divert 4.3 cents, which was the additional tax we put on for highways, the gasoline tax, away from general revenues in the trust fund. We wanted to restore the trust in the highway trust fund. We did that. So basically all Federal gasoline taxes go in the highway trust fund and a small percent, half a cent, go into mass transit. The rest goes into the highway trust fund. Americans know that. They know where their dollars are going. That gives Americans confidence.

Not along ago, the suggestion was made to repeal the 4.3 cents. That was during a time when gasoline prices were going up. It sounded like a good idea, repeal 4.3 cents of the Federal gasoline tax, get those highway taxes down, get those gasoline taxes down. A siren song? Sounds good on the surface. What happened? We thought about it a little more and realized it was not a very good idea and we decided not to do that. We wanted to keep the 4.3 cents in the highway trust fund, knowing in the long run that is much more in our national interest.

This trust is very important. I can see this as the beginning of a slippery slope, giving Government discretion to take money out of the fund for Amtrak. Then what is next after that? We start to nibble away at the trust.

One other point, the highway system in America is a National Highway System.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BAUCUS. Mr. President, I ask to proceed for 2 additional minutes.

Mr. SMITH of New Hampshire. I yield the Senator another 5 minutes.

The PRESIDING OFFICER. The Senator from New Hampshire only has 3 minutes remaining.

Mr. SMITH of New Hampshire. I yield the 3 minutes.

Mr. BAUCUS. I will take 2.

This is a National Highway System. What does that mean? President Eisenhower saw this. It was his conception. As a young soldier, he traveled across America and realized the highway system needed help. That means we know, as we travel across the country, that the highways in Montana, New Jersey, Ohio—highways around the country are all in pretty good shape. It is a National Highway System. What is going to happen? I have the highest respect for my friends from New Jersey and Delaware. What is going to happen in those States which are essentially, by comparison, Amtrak States? They are not highway States; they are Amtrak States. We know what is going to happen. Those Governors and legislators are going to say we are going to take money out of the highway trust fund. Because we don't have as many highways in our State, we are going to Amtrak.

What are Americans going to think when the highways in those States start to deteriorate? It is no longer a National Highway System. The same thing about Amtrak. One Governor says Amtrak; the one next-door says, no, not Amtrak. It gets to be quilt work, gets to be patchwork, it gets to be confused, and we do not have a national system anymore.

I think we need to expand Amtrak. I am a strong Amtrak supporter—very strong. But the way to do it is not here on the floor saying Governors decide what a national Amtrak program is. The way to do it is for the Congress of the United States to do its business and come back with a national Amtrak program. That is the way to do it.

We have a budget surplus here. Let's talk about Amtrak in the context of how we put a national Amtrak program together, and not say Governors do this and do that and sometimes some States will have a little more highway money.

Mr. President, I strongly urge my colleagues to not succumb to this siren song because in the long run, it is going to hurt us.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I ask unanimous consent that I be given 2 minutes to speak on this amendment.

Mr. VOINOVICH. I object. I want to know——

The PRESIDING OFFICER. Objection is heard.

Mr. SHELBY. What does the Senator want to know?

Mr. VOINOVICH. I want to know on whose time?

The PRESIDING OFFICER. There are 8 minutes remaining for the proponents.

Mr. SHELBY. I asked unanimous consent that I be given time. It is on nobody's time.

The PRESIDING OFFICER. Is the Senator asking to put off the 11 o'clock vote then by unanimous consent?

Mr. VOINOVICH. I do not object.

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

Mr. SHELBY. Mr. President, I was not going to comment on this provision today, as I am trying to expedite consideration of the transportation appropriations bill and did not want any statement by me to delay the conclusion of the Senate's consideration of the measure.

However, since I heard the chairman of the Environment and Public Works Committee and the ranking member of the Environment and Public Works Committee come out in opposition to this measure, I could not miss the opportunity to stand with them in opposition to include this provision on the Transportation appropriations bill. Often we find ourselves in disagreement on individual amendments, so when the chance arises to be on the same side with them, I did not want to miss the chance.

Further, I do believe that in this particular instance flexibility is a dangerous tool to be giving Amtrak. It is one thing to grant special dispensation in the case of increasing service or in unique circumstances, but my concern here is that Amtrak will use the provision to leverage State to shift badly needed highway dollars to simply maintaining already failing Amtrak service.

This is one of those circumstances of needing to be careful what you wish for—many States may find the they have fewer highway dollars and the same Amtrak service at the end of the day if this provision were to pass.

I urge my colleagues to reject this provision on this bill.

The PRESIDING OFFICER. Who yields time?

The Senator from Ohio.

Mr. VOINOVICH. Mr. President, one of the things that is a little bit disturbing to me is that there is a feeling in the Senate that somehow Governors control their States: The Governors are going to do this; the Governors are going to do that. The Governors are unable to do anything unless they have the support and involvement of their State legislatures.

I was a Governor from a donor State and fought for ISTEA and TEA–21. When I came in, we were at 79 cents. We are up to 90½ cents. I know how important money is for transportation. This is not an issue of Amtrak. I keep hearing Amtrak. I do not like Amtrak, and if we had the flexibility in my State, I am pretty sure we are not going to spend any money on rail. But I think the Governors should have an opportunity to have the flexibility to decide—with their legislatures—what is in the best interest of their people in dealing with their transportation problems.

There is one other issue that needs to be taken under consideration when talking about transportation, and that is the environmental policy of the United States. We are in a situation today where we have high gas prices. We are in a situation today where we need to put together an energy policy. Frankly speaking, rail ought to be part of the consideration in deciding that energy policy.

Some of the same people who are objecting to Governors having flexibility on rail supported welfare reform. I remember when we were down here lobbying for welfare reform. They said: If you give it to the Governors, it will be a race to the bottom. But, we got the job done. Some of the same people opposed to this are big advocates of giving Governors the opportunity to spend education dollars. That is what this is about. This is not about Amtrak. It is about flexibility. It is about States rights. It is about federalism.

The only reason I offered the amendment today is that I could not get a unanimous-consent agreement to bring up the bill, S. 1144, and it was stuck with a hold on it. With all due respect to the chairman, for whom I have the highest regard and understanding—and who was a cosponsor of this legislation, this issue of flexibility needs to be aired. We ought to have a vote on it. We ought to give the Governors the opportunity to have this flexibility.

To characterize the amendment as for rail or against—that is not the case. I am not here for that. I am here for flexibility for the Governors who have a big responsibility, and they ought to have an opportunity with their State legislatures to decide how they are going to spend this money. If they want to spend it on rail and debate it, fine. If they do not want it, let them decide that.

Mr. SCHUMER. Will the Senator yield?

Mr. VOINOVICH. I yield to the Senator from New York.

Mr. SCHUMER. Mr. President, I thank the Senator. I support his amendment, and I want to reiterate how important this will be to our State. Because of ISTEA, our State gets a huge amount of money for road building. The Governors make that decision. We are desperately short in terms of help for rail in many parts of our State. In fact, in some of the rural areas they are looking for rail help now which they were not several years ago.

As I understand the Senator's amendment, it will simply allow each Governor to make that choice so that in my State of New York, if Governor Pataki decides he has enough, or at least a higher priority than the bottom of the rung in terms of his highway decisions and wants to put some of this money into passenger rail service, he will be allowed to do it. It is simply his decision, no mandate, and will not affect any other State if this amendment is adopted. And that would apply in each of the States; am I correct in assuming that?

Mr. VOINOVICH. That is correct.

Mr. LAUTENBERG. Mr. President, I say to the Senator from Ohio, there are approximately 2 minutes remaining. We had an understanding that we would share some time. Does the Senator need the 2 minutes? If he does, I will step aside.

Mr. VOINOVICH. I yield 2 minutes to the Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I will try to take only 1 minute.

This is not a new idea. This has been in Senate bills before, including ISTEA and TEA–21, and it passed with those bills. It died in conference. There was another influence working over there that prevented us from exercising our will and our judgment about what ought to happen.

With all due respect to my colleagues who oppose this, we have done this before, and we ought to have a clear opportunity to do it again.

The Senator from Ohio was so clear in his presentation. It is simply allowing the governments within the States to make decisions about how they use their highway funds. If they think they are servicing their public better by permitting them to invest in intercity rail, then, by golly, we ought to let them do it. It is better for the highway people. Those who advocate investing more in highways, how about getting more cars off the roads? Doesn't that help the highway people? Doesn't that help clear up congestion? I think so.

I understand the jurisdictional dispute. I am on the Environment and Public Works Committee, and I greatly respect the chairman. He was very clear in what he said. He does not oppose the idea, but he opposes the idea of doing it here.

It is here, and it is now, I say to the Senator, and we have to take the opportunity as it exists. I hope my colleagues will support this.

I yield whatever time remains back to the Senator from Ohio. How much time remains, Mr. President?

The PRESIDING OFFICER. A little less than 30 seconds.

Mr. VOINOVICH. I reserve my time.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized and has 1 minute.

Mr. SMITH of New Hampshire. Mr. President, on behalf of the majority leader, an amendment was inadvertently left off the list of eligible amendments in order to the bill. Therefore, I ask unanimous consent that a Murkowski amendment on an Alaska railroad be added to the list. This has been agreed to by the minority.

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

Mr. SMITH of New Hampshire. Mr. President, I make a point of order that the pending amendment is legislating on an appropriations bill in violation of

rule XVI. I ask my colleagues to stand with me so that we can put a stop to this practice of legislating on appropriations bills.

Mr. VOINOVICH. Mr. President, I raise a defense of germaneness and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The Chair submits to the Senate the question, Is the amendment No. 3434 germane? The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) is necessarily absent.

Mr. REID. I announce that the Senator from West Virginia (Mr. ROCKEFELLER) is necessarily absent.

The PRESIDING OFFICER (Mr. ALLARD). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 46, nays 52, as follows:

[Rollcall Vote No. 130 Leg.]

YEAS—46

Akaka	Inouye	Nickles
Bayh	Jeffords	Reed
Biden	Johnson	Reid
Boxer	Kennedy	Robb
Bryan	Kerry	Roth
Chafee, L.	Kohl	Santorum
Cleland	Landrieu	Sarbanes
Coverdell	Lautenberg	Schumer
DeWine	Leahy	Snowe
Dodd	Levin	Specter
Durbin	Lieberman	Torricelli
Edwards	Lugar	Voinovich
Feinstein	Mikulski	Wellstone
Graham	Moynihan	Wyden
Hollings	Murkowski	
Hutchison	Murray	

NAYS—52

Abraham	Daschle	Kyl
Allard	Dorgan	Lincoln
Ashcroft	Enzi	Lott
Baucus	Feingold	Mack
Bennett	Fitzgerald	McCain
Bingaman	Frist	McConnell
Bond	Gorton	Roberts
Breaux	Gramm	Sessions
Brownback	Grams	Shelby
Bunning	Grassley	Smith (NH)
Burns	Gregg	Smith (OR)
Byrd	Hagel	Stevens
Campbell	Harkin	Thomas
Cochran	Hatch	Thompson
Collins	Helms	Thurmond
Conrad	Hutchinson	Warner
Craig	Inhofe	
Crapo	Kerrey	

NOT VOTING—2

Domenici	Rockefeller

The PRESIDING OFFICER. On this vote, the ayes are 46, the nays are 52. The judgment of the Senate is that the amendment is not germane. The amendment falls.

The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I am going to increasingly call attention to the disorder that prevails in this Senate.

As I sat here and listened to this crowd in the well, I wondered to myself: Can you imagine Norris Cotton being in that well? Can you imagine George Aiken being in the well at that time? Can you imagine Senator Dick Russell being in the well? Can you imagine Lister Hill being there?

I don't know what the people who visit as our guests in the galleries think of this institution. It resembles the floor of a stock exchange. I can understand that once in a while people have to go in the well and ask a question. But we are supposed to vote from our seats. I do not know how many Senators know that, but there is a regulation providing that Senators shall vote from their seats. I urge the leadership on both sides to insist that that be done. I always try to vote from my seat. It doesn't present any problem for me, voting from my seat. I realize that some Senators don't get an opportunity to talk to one another until they come to the rollcalls, but we have a vast area outside the Chamber or in the Cloakrooms where they can do that.

So I am going to urge the joint leadership to insist that Senators vote from their desks. If Senators will look on page 158 of the Senate Manual under ''Senate regulations'', they will find this regulation. May I ask the Chair to read that regulation to the Senate.

The PRESIDING OFFICER. ''Votes Shall Be Cast From Assigned Desks.''

''Resolved, that it is a standing order of the Senate that during yea and nay votes in the Senate, each Senator shall vote from the assigned desk of the Senator.''

Mr. BYRD. Mr. President, parliamentary inquiry: If I or another Senator insists on that regulation being enforced, is it the Chair's intention—and I am not being personal about this, but will the Chair enforce that regulation, if a Senator asks that it be done?

The PRESIDING OFFICER. It is the duty of the Chair to enforce all the rules and regulations of the Senate.

Mr. BYRD. I thank the Chair.

I hope Senators heard the Chair. For those who are not here, I hope they will read it. I urge that the joint leadership insist on that regulation. Otherwise, I am going to insist on it. One Senator can insist on it. As I understand from what the Chair has said in his response to my parliamentary inquiry of the Chair, it is the Chair's duty to enforce the regulations.

I don't say this with any animus, but I am concerned about how the Senate appears to visitors during roll call votes. Perhaps other Senators may not be quite so concerned, but I am because it seems to be getting worse.

I thank the Chair. I thank all Senators.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, following the previous agreement, all amendments had to be filed by 11:30. I think it is a little past 11:30. We should now have all of the amendments.

At this time, I would like to review with my ranking member, Senator LAUTENBERG, all amendments that have been filed.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The Senator from Maine is recognized.

Ms. COLLINS. Mr. President, may we have order, please.

The PRESIDING OFFICER. The Chair calls for order in the Senate.

Ms. COLLINS. Thank you, Mr. President,

AMENDMENT NO. 3439

(Purpose: To express the sense of the Senate that the Strategic Petroleum Reserve should be used to address high crude oil and gasoline prices)

Ms. COLLINS. Mr. President, I send an amendment to the desk

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maine (Ms. COLLINS), for herself and Mr. SCHUMER, proposes an amendment numbered 3439.

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

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

The amendment is as follows:

At the appropriate place in title III, insert the following:

SEC. 3___. SENSE OF THE SENATE CONCERNING USE OF THE STRATEGIC PETROLEUM RESERVE.

(a) FINDINGS.—The Senate finds that—

(1) since 1999, gasoline prices have risen from an average of 99 cents per gallon to $1.63 per gallon (with prices exceeding $2.00 per gallon in some areas), causing financial hardship to Americans across the country;

(2) the Secretary of Energy has authority under existing law to fill the Strategic Petroleum Reserve through time exchanges (''swaps''), by releasing oil from the Strategic Petroleum Reserve in times of supply shortage in exchange for the infusion of more oil into the Strategic Petroleum Reserve at a later date;

(3) the Organization of Petroleum Exporting Countries (''OPEC'') has created a worldwide supply shortage by choking off petroleum production through anticompetitive means;

(4) at its meetings beginning on March 27, 2000, OPEC failed to increase petroleum production to a level sufficient to rebuild depleted inventories; and

(5) the Secretary of Energy should implement a swap plan at times, such as the present, when prices of fuel have risen because of cutbacks in the production of crude oil.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that if the President determines that a release of oil from the Strategic Petroleum Reserve under swapping arrangements would not jeopardize national security, the Secretary of Energy should, as soon as is practicable, use the authority under existing law to release oil from the Strategic Petroleum Reserve in an economically feasible way by means of swapping arrangements providing for future increases in Strategic Petroleum Reserve reserves.

Ms. COLLINS. Mr. President, I rise today on behalf of myself and my distinguished colleague from New York, Senator SCHUMER, to offer a sense-of-the-Senate resolution that addresses

perhaps what is the most pressing transportation problem facing America today; that is, the outrageously high cost of gasoline. Retail gasoline prices have skyrocketed over the past months to a nationwide average of $1.63 per gallon. In my hometown of Caribou, ME, a gallon of regular unleaded gas costs $1.68. And that's if you pump your own. In the Midwest, gasoline prices have exceeded $2 a gallon. Yesterday, gasoline futures hit a 9½-year high on the New York Mercantile Exchange. Yet, just last year, gasoline prices averaged only 99 cents per gallon. What a difference a year can make.

This past March, Secretary of Energy Bill Richardson assured the nation that we would enjoy declining gasoline prices over the spring and summer and promised that we would not see gasoline prices at $2 per gallon. Unfortunately, $2 is exactly what many Americans now pay for a gallon of gas.

These high prices are the result of steadily increasing crude oil prices which, in turn, have been caused by OPEC's anticompetitive activity. Since the second quarter of 1999, OPEC has cut production by over 3 million barrels per day in a deliberate attempt to raise prices. Well, the strategy has worked. Although OPEC countries sold 5 percent less oil in 1999, their profits were up 38 percent. And the profits keep rolling in.

Early last fall, Senator SCHUMER and I began warning the Clinton administration that OPEC's production squeeze would have far-reaching, detrimental impacts on our economy. At that time, oil prices already were beginning to rise, and U.S. inventories were falling. Throughout the winter, Mainers and all Americans who heat with oil suffered from the highest distillate prices in a decade.

The administration's lack of a response has been as perplexing as it is disappointing. Last winter, Secretary Richardson admitted that the ''Federal Government was not prepared. We were caught napping.'' This is an astonishing explanation for the administration's lack of leadership. And now it's time for the administration to wake up.

The administration's ''energy diplomacy'' policy has proven to be a failure.

On March 27, the OPEC nations agreed to increase production, but at a level that still falls well short of world demand. At the time, Secretary Richardson proclaimed that the administration's policy of ''quiet diplomacy'' had worked and forecast price declines of 11 to 18 cents per gallon by mid-summer. Thus far, exactly the opposite has occurred. Gasoline prices are up some 12 cents per gallon since the OPEC announcement. Now predictions are not so rosy. As the Department of Energy's Energy Information Administration candidly noted in its June 2000 short-term energy outlook, ''we now recognize that hopes for an early peak in pump prices this year have given way to expectations of some continued increases in June and possibly July.''

Moreover, the EIA's June report warns that OPEC's anticompetitive scheme could place us next winter once again in the midst of another diesel fuel and home heating oil crisis. The report predicts that world oil consumption will continue to outpace production throughout this year resulting in, and I quote, ''extremely low inventories by the end of the year, leaving almost no flexibility in the world oil system to react to a cutoff in oil supplies somewhere or an extreme cold snap during next winter.''

It is past time for this administration to shift gears from quiet diplomacy to active engagement. The oil crisis we have faced for over a year underscores the fact that this administration has no energy policy, much less one designed to address the needs of America in the 21st century. Americans deserve a long-term, sustainable, cogent energy policy. But, in the short term, they also deserve some price relief. The amendment Senator SCHUMER and I have offered would do just that.

The amendment is straightforward. It addresses the sense of the Senate that the Secretary of Energy should use his authority to release some oil from our massive Strategic Petroleum Reserve through time exchanges, or ''swaps.'' The immediate commencement of a swaps policy would bring oil prices down while providing a buffer against OPEC's supply manipulations. Moreover, a well-executed swaps plan could, over time increase our reserve from its current level of 570 million barrels, at no cost to taxpayers.

Mr. President, the swaps approach advocated by our amendment would also give the administration leverage it has refused to bring to bear on the OPEC cartel. Quiet diplomacy has not worked. OPEC already has broken a commitment it gave to Secretary Richardson to increase production further if crude oil prices hit the levels they have reached over the past month. OPEC is scheduled to meet again on June 21 in Vienna. We need to show OPEC that we will not sit idly by as the cartel manipulates our markets and gouges us at the pump. The amendment Senator SCHUMER and I have offered is designed to send a strong signal to OPEC nations and to provide relief to the American consumer.

Mr. President, I am aware this amendment is subject to a procedural point of order, and therefore, Senator SCHUMER and I will be withdrawing it. Nevertheless, it is a very important issue.

I commend the Senator from New York for his leadership in working on this issue for so many months. We will continue our efforts. We are writing, once again, to the President, to urge him to immediately implement a swap plan as proposed by our amendment.

For the sake of all Americans who have felt the squeeze of skyrocketing oil and gas prices, we sincerely hope that the time has finally come for the administration to heed our call.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, first, I thank the Senator from Maine for her leadership and her comradeship on this issue.

We have been working for a long time. We are not going to rest until something is done. If what we propose is not the right course, come up with some other strategy. But clearly, as the Senator says so correctly, something is not working.

The bottom line is simple. Last year, the Senator from Maine and I predicted home heating oil prices would go through the roof. We were told by the Energy Department and others: Oh, no, don't worry. You are being alarmist.

Unfortunately, for many of our constituents and millions of Americans in other States, home heating oil prices went through the roof.

Then in the early winter, we said: Now, gasoline could go to $2 a gallon this summer if nothing is done. We had studied how much oil OPEC was putting out. We looked at rural demand. We looked at the fact that our former friends, or friends who had always been helpful—Mexico and Norway, non-OPEC Members that expanded the supply of oil—would not help anymore.

They said, as the Senator from Maine indicated, let's try some quiet diplomacy. We are not the fount of all wisdom. Why not?

On March 27, when the OPEC members met, they said they were going to prevent oil from going to $28 a barrel on the spot market. And if it went over $28 a barrel for more than 30 days, they would release additional oil and bring the price back down. In fact, they set a range, not just a ceiling. There was also a floor, $22 to $28. It was high but within the bounds of being livable for the consumers in our States who, if nothing was done, would pay $1,000 more each year for gasoline and home heating oil. That number is no different than for most of the constituents of my colleagues from other States.

If we look at what Chairman Greenspan is doing in raising interest rates, he cites oil pressure on the economy as one of the great problems we face. He said if OPEC will do this on its own, maybe that is a better way.

Oil has been above $28 for more than 30 days and the OPEC nations are saying they are not going to do anything.

Maybe swapping SPR reserves, as we are urging in the bipartisan letter we are releasing today, signed by about a dozen of our colleagues, as well as ourselves, is not the only way to go, but nobody has presented a better alternative.

If we were to release a relatively modest amount of oil from the SPR, prices would come down, the fragile unity that OPEC has shown would be broken, and there would be new cheating on OPEC's part, and the price would come down further.

We have 570 million barrels of oil sitting there. If we were to release, say, a million barrels of oil for a 45-day period, it would not deplete the reserve. Figure it out using simple mathematics. It is less than 10 percent of the reserve. Furthermore, because the market is what is called ''backwardized,'' we could actually require that we would lock in a price, that we could buy oil next April at $25 a barrel. It is simple arithmetic.

If we sell at $31 and we can buy it back next April by buying futures on the oil market for $25, not only do we achieve our main goal, which is to bring the price of oil back down and help the consumers throughout the country who are paying through the nose for gasoline, we could also actually make some money. The Government, for once, would be behaving as a private business. That is not our goal, but that would be a side benefit.

Here we are. Everything that has been said has not worked. Home heating oil did go through the roof. The price of gasoline is, in parts of the country, already above $2 a gallon. The average, as of yesterday, was $1.60-something in the rest of the country. And mark my words, heating oil next year, if we do nothing, will be much higher than it was last winter, when our constituents in the Northeast and Middle West faced unprecedented home heating oil bills.

So this resolution—I wish the point of order didn't lie against it; it does—is what is needed. I agree with my friend and colleague from Maine we ought to withdraw it. But make no mistake about it; this policy is the only policy left on the table. To those who say it may not work—which is the only argument left. They first told us it was not legal, but it was, as we proved. They had done it three times before. They told us it was unnecessary. Prices show it is necessary. Now they are saying it may not work. Guess what. It cannot be worse than what is happening now.

So I strongly urge my colleagues, if they cannot vote on our resolution because of this point of order, to sign the letter Senator COLLINS and I have authored and continue to make our case that swapping oil from the Strategic Petroleum Reserve is the best policy we have to bring the all-too-high cost of energy down and keep our economic prosperity on track.

With that, I will yield to the Senator from Maine to conclude.

The PRESIDING OFFICER. The Senator from Maine.

Mr. LEVIN addressed the Chair.

Ms. COLLINS. Is the Senator from Michigan seeking to be heard on this resolution?

Mr. LEVIN. I am.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, first let me congratulate the Senators from Maine and New York for this resolution. Because it is a sense-of-the-Senate resolution which might be ruled not to be germane or appropriate on this bill for technical or procedural reasons, I understand they will be withdrawing it. I am sorry that is what they must do under our rules, or need to do under our rules, because this resolution of theirs really addresses one of the most critical issues my constituents in Michigan are facing. I know the Senator's constituents in Maine are facing it, and the constituents of the Senator from New York. All of our constituents are facing these skyrocketing prices which have no rational explanation—except that the oil companies have decided they are going to gouge us pricewise, although their own prices of oil per barrel have not gone up nearly as much as have the prices that they are charging us.

We have had two agencies of this Government that have said there is no logical or rational explanation for the huge increase in gas prices. The Federal Trade Commission should investigate this matter. I have asked them to investigate this matter because of the possibility of anticompetitive practices on the part of the oil and gas industry. That is within the jurisdiction of the Federal Trade Commission. Their staff, indeed, is required to undertake that inquiry.

What is going on here is intolerable. It is not a reflection of the price of oil per barrel. The prices at the pump have gone up far more, proportionally. In the absence of that kind of explanation, and in the presence of the kind of skyrocketing prices we are facing at the pump, as the Senator from Maine said—in the Midwest, in my State, now over $2 a gallon—I think the signal which is being sent by this resolution is a very important one. The letter they are sending I hope will get the signatures of every Member of this body. I have already sent the President a similar letter urging the withdrawal of some oil from the Strategic Petroleum Reserve and the later swap of oil back into that reserve. I intend to sign this letter again because I think the more of us who ask this administration to withdraw oil from the Strategic Petroleum Reserve the better, and the more likely they would do so.

I commend the two Senators for their action. I intend to forcefully join with them in their letter and to continue my own efforts, as previously indicated both with the Federal Trade Commission to obtain their investigation for potential anticompetitive practices, as well as the withdrawal issue by the Department of Energy, because I believe that is one of the ways we can fight back against the OPEC monopoly.

Mr. DURBIN. Will the Senator yield?

Mr. LEVIN. I am happy to yield.

Mr. DURBIN. If the Senator from Michigan will yield, I commend him for his remarks and also commend the Senators from Michigan and Maine for what they have done and their leadership on this issue. This is a critically important issue in the Midwest. It is certainly an important issue in the State of Illinois. I have been back to my State and I can tell you virtually every single group I have met with—labor, business, education, ordinary families—all bring up this issue as the first concern because it hits them in the pocketbook. Families trying to drive back and forth to a job, small businesses that depend on the cost of fuel for profit—they are all concerned. I commend the Senator from Michigan for the comments he has made.

I have listened to the oil companies and their explanations about why these prices have gone up, but I have to tell you they just don't wash. They don't make sense. When you explore them and look to them you say: Sure, that might account for a 2-cent increase or a 5-cent increase. But in the Chicagoland area, it is not uncommon to find gasoline at $2.29 a gallon and higher, for the lowest cost gasoline. That does not explain it away.

Frankly, I think the oil companies are coming up with excuses. In the past, they have come up with excuses and, frankly, we have to go further. I think the Senator from Michigan is correct; the Federal Trade Commission has a responsibility here. Next Tuesday, the chairman of that Commission is going to meet with the Illinois delegation to talk about this. I hope they take the Senator's suggestion and go forward with this investigation. At this time I think we need to have the oil companies in for honest answers so families and businesses across America understand what is behind this.

I commend the Senator from Michigan, as well as the Senator from Maine, and all those who have shown leadership on this issue. It is really a matter of the quality of life for a lot of families and businesses in the Midwest—across the Nation.

Mr. LEVIN. I thank my good friend from Illinois for his comments. As always, he has his finger on the pulse of his constituents. That is the No. 1 issue with the people of Michigan at the moment, the skyrocketing price of gas at the pump. There is not even a close second. This is the first, second, and third issue on the minds of the people of Michigan and the Midwest, and obviously other parts of the country as well. We have to hold the oil companies accountable. We have to put as much pressure on them as we can. Withdrawing oil from the Strategic Petroleum Reserve is one of the ways in which we can fight back against these skyrocketing prices.

The PRESIDING OFFICER. The Senator from Michigan is recognized, Senator ABRAHAM.

Mr. ABRAHAM. Mr. President, I first thank the Senator from Maine for her steadfast efforts to raise these issues over a fairly lengthy period of time now. I also think we should, perhaps, review some of the recent history. As my colleague from Michigan just indicated, it is clearly not just in Maine or Michigan but across the country, in almost every part of the country, the No.

1 issue on people's minds today—what it costs to fill up one's automobile or sports utility vehicle with gasoline.

In my case, like many other fathers with young children, we have a minivan. When we go to the pump now, it is somewhere between $40 and $50 to fill up our tank. There seems to be a pattern in our region—Michigan, Illinois, and some of the other States in the Great Lakes—that have driven the prices even higher than the national average. I share the concerns my colleague from Michigan and colleague from Illinois have expressed with respect to why this is affecting uniquely our State. I have asked the Secretary of Energy to meet personally on this issue to find out what insights he provides.

I think a few other issues need to be discussed. First, I think the points that have been raised with respect to releasing some of the petroleum in our strategic reserve make sense. This is a way to make an immediate impact, to have an immediate impact on the supply of oil which, in turn, will relate to the price. There are a lot of things we can do that will have a long-term impact, but the short-term impact is fairly limited.

No. 1, we can tap the reserve. No. 2, we can suspend, as we have on several occasions tried to vote to do, the Federal gasoline taxes to reduce some of the costs the consumers are paying.

But I think there is an issue we need to talk about as well, that has more of a long-term consideration to it, and that is the dependency of our country on foreign sources of energy. The fact is, even if you level out the prices for the Great Lakes, if the problems in our region were to be resolved in such a fashion that we simply returned to the approximate level of the rest of the country, we would still be paying substantially higher prices than we did a year ago. There is no question the reason for that is the OPEC nations' decisions with respect to supply is the cause of these higher prices. While I think we should investigate whether it is the oil companies or anyone else who may be taking advantage of the supply situation in some inappropriate way, I think we must try to wean ourselves from the dependency we have on foreign energy sources.

I believe we have a responsibility as a Congress to work on issues related to this.

I believe the administration has a responsibility, which it has not fulfilled in over 7 years in office, to provide us with a long-term energy policy that prevents dependency from getting any worse. In the 1970s, when we had an energy crisis that led to lines at the fuel pumps, that led to shortages, we were only 35-percent dependent on foreign energy. Today, we are 55-percent dependent. At the current rate, we will hit 60 percent in the near future.

There is no question that if we place ourselves in that position, we will be at the mercy of the decisionmaking of foreign countries with respect to our energy costs. I do not think we want to be in that position as a nation. I do not think we want to have our Energy Secretary, irrespective of to which administration he or she might belong, be forced to go hat in hand, as Secretary Richardson recently was required to do, to persuade foreign countries to give America a little bit more of a supply. The only way to address that is to change policies at home that allow for domestic production to increase that will permit us to tap into alternative energy sources and to conserve more energy.

That, I believe, ought to occupy as much attention as anything else we do in this area. To address the long-term needs, in my judgment, is the top energy policy on which we should right now be focused as a Congress and as a nation.

We need a multifaceted approach. In the short run, the Strategic Petroleum Reserve can give us immediate relief on some of the prices. I believe we should, again, consider suspending the gas tax as another way to do that for the short run. Until and unless we demonstrate as a nation a commitment to increasing our own domestic production, we are going to send a signal to these other nations that they are going to have the leverage they can use when they wish to make more profits for themselves at our expense, and instead of American consumers being in charge, it will be foreign oil ministers who make those decisions.

That is wrong. I intend to fight that, and I intend to be back on the floor as much as it takes on these issues until we begin to focus on that aspect of the problem.

Let's say the national average in the region—which does not include Michigan, Ohio, and Illinois—if that average fuel price was the price in my State, $1.50 to $1.60 a gallon, it would still be too high, in my opinion. The only way it is going to change is if we address the long-term issues as well.

I thank the Senator from Maine for her amendment and her efforts. I look forward to working with her on this issue. I yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

AMENDMENT NO. 3439 WITHDRAWN

Ms. COLLINS. Mr. President, I thank the Senator from Michigan. He is absolutely right in that we need to pursue a long-term energy policy for this Nation, as well as to provide short-term price relief by tapping our Strategic Petroleum Reserve.

I thank all my colleagues who have supported and have spoken out in support of this resolution, but particularly my primary sponsor of the legislation, Senator SCHUMER of New York. Since a point of order will lie against the amendment, I ask unanimous consent that my amendment be withdrawn.

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

Ms. COLLINS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. FITZGERALD) Without objection, it is so ordered.

THE ELECTRONIC SIGNATURE ACT

Mr. LEAHY. Mr. President, I mention this only because I know we were in a quorum call and, being in a quorum call, this time would not be taken from the bill. The House of Representatives has passed overwhelmingly—I think with only four votes against it—the Electronic Signature Act. We will be taking it up in a matter of hours. I will speak further on this on the floor today, but I strongly urge my colleagues to vote for this bill.

A number of us worked closely—Republicans and Democrats alike—to craft the final package. I was one of the conferees and signed the conference report—indeed I also signed and supported the earlier report based on the agreement we achieved before the last recess weeks ago. I think that it is a good piece of legislation. I think it should pass. It includes consumer protections and balance that were lacking from the House-passed bill and builds upon the narrower provisions of the Senate-passed bill to include some additional provisions regarding record retention.

Originally, there were some who wanted to pass a digital signature bill almost for the sake of passing one. Fortunately, cooler heads prevailed in both parties but also among the industry. I think most of those in the various industries that will be affected, who want an electronic signature bill, realize they have to have something that would have consumer protection in it. Otherwise, we could see companies that do not have a strong sense of consumer ethics misuse the bill. The public reaction would be such that a subsequent Congress would wipe out all the gains we made.

What has happened now is we have written in good protections. The best companies, those companies that value their reputation and are in for the long haul, will follow these rules without any hesitation. But companies that may think of this as a chance to make profits—sudden profits—from people who are not computer literate, people who are just coming across the digital divide, they will be stopped from preying on the innocent.

I think it is a good piece of legislation, as I said. A number of us, Republicans and Democrats, worked very hard on this. Now we do have a good bill. In the Senate, Chairman MCCAIN and Senator HOLLINGS, Senator HATCH and I and Senator GRAMM and Senator

SARBANES all participated in this conference, and from the House, Chairman BLILEY and Congressman DINGELL, worked to put this together. On our side Senator WYDEN made significant contributions, as well.

I urge, when this does come to the Senate floor, that it be passed, I hope unanimously.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

(The remarks of Mr. DOMENICI and Mr. BINGAMAN pertaining to the introduction of S. 2736 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2001—Continued

AMENDMENT NO. 3430

(Purpose: To provide for an additional payment from the surplus to reduce the public debt)

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. ALLARD], for himself and Mr. VOINOVICH, Mr. GRAMS, and Mr. ENZI, proposes an amendment numbered 3430.

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

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

The amendment is as follows:

On page _____, after line _____, insert the following:

DEPARTMENT OF THE TREASURY

BUREAU OF THE PUBLIC DEBT

SUPPLEMENTAL APPROPRIATION FOR FISCAL YEAR 2000

GIFTS TO THE UNITED STATES FOR REDUCTION OF THE PUBLIC DEBT

For deposit of an additional amount for fiscal year 2000 into the account established under section 3113(d) of title 31, United States Code, to reduce the public debt, $12,200,000,000.

Mr. ALLARD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. There is not a sufficient second at this time.

Mr. ALLARD. Mr. President, I renew my request for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLARD. Mr. President, the amendment that was just reported at the desk is an amendment that is cosponsored by myself, Senator VOINOVICH, Senator GRAMS, and Senator ENZI. I do want to take the time to thank them for their willingness to be a part of this very important effort to try to pay down our Nation's debt. We have two debts that are referred to frequently in debate, and I want to talk about each one of them individually. One is the burden of the national debt on America, and, as of June 14, 2000, the total national debt to the penny was $5,651,368,584,663.04.

If we look at the debt that was owed to the public, there is an equally astounding figure of $3,499,251,116,128.15.

How does this break down to each citizen's share of the national debt? If you were born today, what kind of debt would you have to face as you grew and paid for your education and started your own business and raised your family? Each citizen born today in America would owe $20,550 on the national debt; or another way of putting it, $12,724 on the debt owed to the public.

In 1961, Congress established within the Department of the Treasury the Bureau of the Public Debt, an account for citizens to repay the public debt. Our amendment is an attempt to accomplish just that. What it does, it makes a one-time payment out of the fiscal year 2000 surplus—that is the budget we are operating under right now—to the account. We have a total of about 26.5 billion surplus dollars that have come in this year. We have already obligated about $14.3 billion in an effort for emergency spending.

This includes some adjustments between spending provisions we did last year where we forwarded some of our spending. We are going to move it back so it is within each fiscal year. It included some emergency spending for Kosovo and some emergency spending for farm programs and a number of other items. That leaves $12.2 billion on the table. So this amendment says we want to take those $12.2 billion and move them into the debt repayment account that Americans can pay into now, that we established in 1961.

This holds the Senate accountable for limited emergency supplemental spending consistent with the budget, I might add. I think each of us individually in the Senate, and Members of the House, ought to make a personal commitment to try to enforce provisions of that budget. That was voted on by this body, voted out of the body. If it is going to mean anything, I think Members of the Senate have to make a concerted effort to help enforce the provisions of the budget.

The amendment I have introduced, with the help of some of my colleagues, was scored by CBO as a no-cost intergovernmental transfer. It is well within the budget rules, the rules of the Senate, and it is an important amendment. It is something we need to address. We simply have to get the debt under control. I have introduced legislation in the past that has put forth a plan whereby we try to pay down the debt over 30 years, then, later on, introduced more legislation so we go ahead and pay down the debt over 20 years.

The fact is, we are having unprecedented surpluses coming in to the Government coffers. A lot of it is because of the amount of work and labor that is happening out there. It is due to American initiative that has been propelled by the free enterprise society in which we live. It is unprecedented in the history of this country.

If we do not do something to pay down the debt now, we are going to miss a great opportunity to have a secure, a more prosperous future for the young Americans of today, our future leaders.

I hope we can adopt this amendment as a minor first step in paying down our total debt. We simply should not, as a matter of conscience, continue to increase spending year after year with a total disregard of the total debt that we have accumulated. We simply need to be doing something to pay down our national debt.

This is a small step. It is something that hopefully will begin to get this Senate to understand and this Congress to realize we ought to have a plan of 20 years to pay down the debt. It is accountability on further emergency spending. Emergency spending is not counted in the budget caps and the 302(b) allocations, and too often this spending privilege is abused. Members of the House and Senate try to put programs which they cannot put in the regular budget resolution when this Congress sets its priorities under the emergency spending programs. We need to do what we can to maintain the integrity of that budget resolution because it is the one that puts restraint on spending and puts accountability in the budgeting process.

As I mentioned before, CBO has scored this as a no-cost transfer. It is important, and it is money that is left laying on the table. At this point in time, I really believe there are few choices of what will happen with the $12.2 billion. It will either go toward debt repayment, or it will be spent. I am concerned it will be spent.

I have introduced this legislation to obligate it towards debt repayment. It is important. I ask my colleagues in the Senate to support us in the effort to pay down the debt, and I ask them to vote aye to support this amendment to pay down the debt. I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. VOINOVICH. Mr. President, my colleague from the State of Colorado did a very good job outlining for us how important it is that we address our national debt. There is a euphoria in America today over the fact that we have a tremendous surplus. Unfortunately, the fact that we have a surplus reminds me of a Dean Martin song that went something like ''Money burns a hole in my pocket.'' Everyone is trying

to figure out how to spend this money. No one seems to be making an issue of the fact that today we have a $5.7 trillion national debt which is costing Americans approximately $600 million a day in interest.

Most Americans do not understand that 13 cents out of every Federal dollar we spend goes to pay interest. National defense gets 16 cents per dollar. Nondefense discretionary spending is 18 cents per dollar. They do not understand that we are spending more money on interest each year than we spend on Medicare, five times as much on interest as we do for education, and 15 times more than we spend on medical research.

This debt was racked up over a number of years. At a time when our economy is better than it has ever been before, when unemployment is at the lowest we have seen in anyone's memory, we should do like you, Mr. President, would do in your family and I would do in my family, or what a business person would do, and that is, in times of plenty, get rid of debt, get out from under debt.

We have an excellent opportunity to do that. Because of the expanding economy, we have a $26 billion on-budget surplus in fiscal year 2000. Think of that, $26 billion. We already allocated $14 billion of that on-budget surplus when we passed the budget resolution to deal with what I consider to be, for the most part, emergency situations.

In order to guarantee we do not spend the rest of that money, we need to stand up and be counted and pay more than lipservice to reducing our national debt. We need to pass legislation that says the remaining on-budget surplus, this $12.2 billion, is to be used to pay down the national debt. It is something that all of us should think about as being a moral responsibility.

One of the reasons I came to the Senate, was the fact that I believed we had spent money over the years on many things that, while important, we were unwilling to pay for, or, in the alternative, do without. We had a policy of ''let the next guy worry about it''; ''let the next generation worry about it.''

When I came to the Senate, I had one grandchild. Today, I have two more. Like all other Americans, I think about my grandchildren and about the legacy I want to leave to them. I remember a long time ago, almost 38 years ago, when my wife Janet and I got married. At that time, only 6 cents out of every dollar was going to pay interest on our debt. Think of it. Today it has gone up over 100 percent.

I think about the legacy we are leaving our children, and Congress, during this wonderful time of a great economy, with a low unemployment rate, should take advantage of this opportunity to take our on-budget surplus and pay down our national debt and get this burden off the backs of the young people in our country; off the backs of our children and off the backs of our grandchildren.

The other thing we need to point out to the American people is something we have kept kind of a secret. It is a secret about which nobody is talking; it has been kept quiet, and that secret is we have been spending money like drunken sailors.

In fiscal year 1998, we spent $555 billion on discretionary spending. That is before I came to the Senate. In fiscal year 1999 we increased spending to $575 billion.

In this year's budget, if we spend the entire on-budget surplus, discretionary spending will be $624 billion. Think about it, $624 billion, compared to last year's $575 billion. If my figures are correct, that is an 8.5-percent increase in discretionary spending.

I want to know how many people in this country had an 8.5-percent increase in their paycheck last year. Why is it that the Federal Government is different than most of the families in this Nation? Families should understand, the citizens of this country should understand, if we spend all of this money—and it looks like we could—and if we do not adopt this amendment that we are suggesting be adopted today, we will have increased spending by 8.5 percent.

It is time for this Congress to be willing to make tough decisions. The cynicism that I hear so often is: We need the money to get out of town.

We need to talk about our kids. We need to talk about this national debt. We need to talk about the moral responsibility that we have to America's families.

We are not asking for a lot here today. We are asking that this body stand up and be counted. I hear people every day talking about: Let's do something about the national debt. It is a problem. We should do it.

Reducing the national debt has been a principle of my party. It has been a principle of mine throughout my political career. First of all, don't go into debt. If you are in debt, get rid of it.

Here is a chance to stand up and put our actions where our mouths are, and say, yes, we do believe in reducing the national debt. We are going to take this money, put it aside, and pay down the national debt, and we are going to do it now. We are going to do it now because we know if we do not do it now, the temptation will be to spend every dime of it.

One other thing we ought to remember; and that is, in July CBO will be coming back with some new numbers and the on-budget surplus will be even higher, perhaps maybe $20 billion, $25 billion more. The question is, What are we going to do with that on-budget surplus? Are we going to keep that around so we can get out of town?

It is time to make the tough decisions. It is time to stand up and be counted.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. I, again, thank my colleague from Ohio, Senator VOINOVICH, for his undying effort and diligent fight to pay down the debt. It is good to have somebody with that kind of persistence and bulldog attitude to be a team player on a very important issue such as this. I just want to commend him in a public way for his efforts.

I do not see any other Senators on the floor wanting to debate this issue. I yield the floor so the Senator from Oregon can be recognized.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I ask unanimous consent to lay aside the pending amendment.

The PRESIDING OFFICER. Is there objection?

Mr. ALLARD. Objection.

The PRESIDING OFFICER. Objection is heard.

The Senator from Oregon has the floor.

Mr. ALLARD. Objection.

Mr. President, was there a unanimous consent request?

The PRESIDING OFFICER. The Chair noted the objection of the Senator from Colorado.

The Senator from Oregon still has the floor.

Mr. ALLARD. I withdraw my objection.

The PRESIDING OFFICER. Without objection, the foregoing request is granted.

AMENDMENT NO. 3433

(Purpose: To require the Inspector General of the Department of Transportation to review certain airline customer service practices and to make recommendations for reform)

Mr. WYDEN. Mr. President, I have an amendment at the desk involving the rights of airline passengers in this country.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oregon [Mr. WYDEN] proposes an amendment numbered 3433.

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

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

The amendment is as follows:

On page 45, line 23, before the period at the end insert the following: '': *Provided*, That the funds made available under this heading shall be used by the Inspector General (1) to continue to review airline customer service practices with respect to providing consumers access to the lowest available airfare, information regarding overbooking, and all other matters with respect to which airlines have entered into voluntary customer service commitments; (2) to undertake an inquiry into whether mergers in the airline industry have caused or may cause customer service to deteriorate and whether legislation should be enacted to require that customer service be a factor in the merger review process for airlines; (3) to review the reasons for increases in flight delays, with specific reference to whether infrastructure issues or procedures utilized by the airline industry and the Federal Aviation Administration are contributing to the delays; (4) to review the airline ticket distribution system, and changes in the system, including

the proposed Internet joint venture known as 'Orbitz' and the impact such changes may have on airline competition and consumers; (5) to review whether 'Orbitz' would be, or should be, subject to Department of Transportation regulations on airline ticket computer reservation systems; and (6) to report findings and recommendations for reform resulting from these reviews and inquiries to the Committees on Appropriations of the Senate and the House of Representatives, the Committee on Commerce, Science and Transportation of the Senate, and the Committee on Transportation and Infrastructure of the House of Representatives by December 31, 2000, and again thereafter when the Inspector General determines it appropriate to reflect the emergence of significant additional findings and recommendations''.

Mr. WYDEN. Mr. President, almost a year ago, this country's airlines made a grand announcement about a new, although albeit voluntary, commitment to the rights of airline passengers.

I tend to look with a very skeptical eye at any promise to consumers that contains the notion of both ''voluntary'' and ''rights'' together in the same sentence.

Now, 1 year later, my conversations with Federal investigators about the work they have done, at the Senate's request, leaves me to be even more skeptical of what the airlines have promised.

What I have learned from Federal investigators is that there are more questions than answers about the quality of airline customer service, flight delays, and the airline ticket distribution system.

Frankly, as I said a year ago, the evidence indicates that the airlines' so-called customer first package has proven to be worth little more than the paper it was written on.

In fact, just recently, in the last few months, the Washington Post Business Section had a headline that said: ''Airline Service Dips n 3 of 4 Categories.'' They went on to describe what can only be categorized as a pretty bumpy operation with respect to guaranteeing the rights of passengers in this country.

I will take just a few minutes to outline what I think the central problems are, and what I have learned from Federal investigators about their work. Then I hope the Senate will support my amendment on a bipartisan basis.

First, after a year of trying to get the airlines to be straight with the American consumer with respect to finding the lowest fare available on a particular flight, I can report that finding the lowest airfare remains one of the great mysteries of our time.

On any given flight, there may be as many different fares paid as there are passengers on the plane. Finding out if the flight you want to take is overbooked is sort of like playing hide and seek. First, you have to know what to ask for. Then you need to know the difference between a flight that is oversold and a flight that is overbooked. Suffice it to say, there seem to be a fair number of people in the industry who can hardly explain that difference.

When I first called for the passage of a real, enforceable passenger bill of rights for airline consumers, I made it very clear to the Senate that I was not talking about establishing a constitutional right to a fluffy pillow on your airplane flight. I was not talking about folks being entitled to a jumbo bag of peanuts. What I was talking about has the public's right to know, the public's right to know information about basic services, just as they do in every other area of our economy.

In every other area of the economy, such as when you have a reservation for a particular item or you want to find out about how it is priced, you can get that information. You can get it whether it is on the telephone, at the counter, online, or through a variety of intermediaries. And you are told, in straightforward kinds of terms, the real reasons behind these scheduling arrangements, and prices, and the kind of information that is so relevant to the consumer.

That is not what is happening today in the airline industry, despite the grandiose pledges from folks in the industry.

For example, the annual survey by leading scholars at Wichita State who have been doing these surveys for many years came out in April and found that consumer complaints on air travel in 1999 were up 130 percent over the previous year. That study showed that 7 out of 10 airlines posted lower quality ratings than they did in the previous year.

Earlier this year, the Department of Transportation consumer division reported that the number of complaints they had received was about double that of the previous year. The complaints were up and the ratings were down after the airlines had pledged to the Congress to do better.

Suffice it to say, these professors at Wichita State are not airline industry bashers. These are individuals who, by their own description, take a very conservative orientation to these issues. Yet they found that in virtually every important area of consumer service, there had actually been a deterioration in the quality of service to airline passengers during this period since the airlines' so-called customer first pledge went into effect.

When the industry's Air Transport Association reported recently that customer satisfaction was at an all-time high, many of us struggled to find out to whom exactly they were talking. They weren't talking to the folks I sit next to on an airplane or the people I meet in ticket lines at home in Oregon or around the Pacific Northwest.

I can understand the inclination of the Senate to give the airlines some time to try to make their voluntary program work. I got my head handed to me when we had the vote in the Commerce Committee and it was 19–1 with respect to airline passenger rights. I respected that. Given the results in the Commerce Committee, I decided we ought to try to do some followup and offered several amendments that were accepted as part of this appropriations bill in the last year. I believed it was important to continue to monitor the situation to see if we would get any improvements since the industry's pledges went into effect.

What we adopted in the last appropriations bill was part of the final law. It was binding, and it gave the Transportation Department inspector general a statutory mandate to look at whether airlines are giving customers access to the lowest fares no matter what technology they used to contact the airline. It is outrageous to know that even today airline passengers can be quoted one price over the telephone and yet a much lower fare is available to them on the Internet and they aren't given that kind of information. The Department of Transportation inspector general was directed in the last appropriations bill to investigate that issue and, in addition, to make sure we monitor this question of the lowest fare.

We directed the inspector general to tell us about overbookings of flights—again, a right-to-know context. I have no problem with an airline selling a ticket to a passenger on a flight that is overbooked, if the consumer is told that the flight is overbooked at the time they are going to make the purchase. It is fairly straightforward; it is informed consent. We have found that has not been done.

The Department of Transportation inspector general is also looking at a new scheme the airlines have cooked up known as T–2. It is our understanding this is a new online pool of airfares where nearly all of the major air carriers will offer their lowest fares but which will not be accessible to those who offer travel services.

In a few weeks, the inspector general of the Department of Transportation is going to issue an interim report on the airlines' customer service commitment plans. What I have heard about this report is that the airlines are coming up short, and seriously so, with respect to following up on the commitments they made to the Congress.

For example, recent weather delays at Chicago's O'Hare Airport resulted in numerous planes being stranded on the runways for periods of 3 hours or more and as long as 8 hours. The Presiding Officer must have heard from some of his constituents on that matter. I happen to have been on the flight that was going from Chicago to Portland where some of those folks had been on the flight that had been stranded in Chicago. They told me all they had received during this extended wait was granola bars and almost no information at all about the options they had.

A recent power failure at National Airport in the Nation's Capital stranded scores of passengers without any accommodations or emergency provisions. Again, we have the consumer complaints pouring into the Department of Transportation at record levels

each month of this year, after the airline industry's voluntary pledge went into effect. This notion from the airline industry that they just need more time, give them a little bit more opportunity to make this so-called voluntary program work, is contradicted by what we have seen each month since the so-called voluntary pledges went into effect.

The customer service commitments don't even address one of the most frustrating areas of air travel; that is, the fundamental underlying issue of delays and what the airlines and the FDA will do to combat them.

It is important that we get the Department of Transportation interim report. It is going to offer the American people an unbiased view of exactly how well airlines are treating passengers. It is going to give us an independent assessment of these so-called voluntary passenger commitments.

I believe what this report is going to show is that the pledges the airline industry made are in effect a kind of cosmetic program to try to keep the Senate from enacting real passenger rights that are enforceable and truly protect the American public. I suspect what we will hear from the inspector general will be a blueprint for enforceable concrete legislation that protects the rights of passengers.

What the Senate ought to be doing is keeping the airlines' feet to the fire. That is why I am offering an amendment to this year's Department of Transportation appropriations bill that would instruct the Department of Transportation IG to continue his fact finding and information gathering in key areas that are so important to the public. I am talking about whether these customer service practices amount to anything, getting the public straight information on the lowest available fare, information about overbooking.

Importantly, for the first time the Senate would direct the Department of Transportation IG to look at the question of whether mergers in the airline industry are causing customer service to deteriorate. We ought to be looking at that issue. We ought to be looking at whether legislation should be enacted to require that customer service be a factor in granting an airline merger in this country. We have all heard so much about these airline mergers. We are having a lot of problems with customer service today. We ought to be looking at the ramifications these mergers are having on the quality of airline service in this country.

I am particularly interested in knowing whether the Senate, on a bipartisan basis, should write a law that would stipulate whether or not customer service ought to be a factor in the merger review process. In addition, this amendment would review the reasons for increases in flight delay. We have had some folks say it is the FAA's fault. We have had other folks say that it is the airline industry's fault. I think the Department of Transportation IG ought to dig into that issue. My amendment also requires a review of the airline ticket distribution system that I mentioned earlier involving T–2. Suffice it to say that there are a number of questions there about whether that is contributing to problems that consumers are having.

The bottom line is, will the Senate keep the airlines' feet to the fire? Are we going to have the Department of Transportation continue in this investigative effort to try to at least put some kind of collective focus by the Senate on how important it is to improve passenger service? We have all heard from constituents, at a time when the airlines are, in many instances, making great profits, about why it is that some of that money can't be devoted to improving passenger service.

I am not going to go through all of the recent news stories but just a few of the headlines. The Washington Post headline is ''Airline Service Dips In 3 of 4 Categories.'' The Los Angeles Times headline is ''Air Passengers 'Fed Up' With Poor Service, Survey Finds.'' They go on to cite the fact that ''Consumer complaints against airlines have more than doubled from last year.''

In conjunction with the recommendations we are getting from the Department of Transportation's IG and their leading official, who I think does a superlative job in this area, I would like to see the Senate working with the Transportation inspector general to keep the focus on trying to force these airlines to improve the quality of passenger service to the people of this country.

I have just been informed by the staff that Chairman MCCAIN and Senator HOLLINGS and Senator ROCKEFELLER would be willing to join me today in committing to send a letter asking the Department of Transportation inspector general to investigate and report to the committee on the issues that are the subject of my amendment. So that the record is clear, Chairman MCCAIN, Senator HOLLINGS, and Senator ROCKEFELLER—and they are all the leaders of the Senate Commerce Committee and spend many hours looking into these issues—have all asked that they join me in a letter to the Department of Transportation inspector general inquiring into the issues that are the subject of my amendment.

The fact that we are getting the bipartisan leadership of our committee behind this effort is very important. It is certainly important to me because all of them have great expertise regarding this issue. My inclination, frankly, is to have a vote on this amendment on the floor of the Senate to send the strongest possible message. But I note that Senator ROCKEFELLER cannot be present today. He has done extremely good and important work on a whole host of aviation issues, including the air traffic control system. As a member of the Commerce Committee and the Aviation Subcommittee, which has jurisdiction over these issues, I am going to agree this afternoon, on the basis of the fact that we will now have a bipartisan letter sent to the inspector general by the bipartisan leadership of the Commerce Committee directing that the IG look into all of the issues outlined in my amendment, to withdraw my amendment.

But I want to make it clear to people in the airline industry and the passengers that are so frustrated by these delays that this fight is going to continue. It is not being dropped. In fact, we are expanding it. As I mentioned, we are going to look, for the first time in recent years, at the ramifications of mergers on customer service. I happen to believe very strongly that mergers and customer service are inextricably linked. I think we ought to change the law and stipulate that one of the criteria on whether or not an airline merger ought to go forward is customer service.

AMENDMENT NO. 3433, WITHDRAWN

I note the absence of Senator ROCKEFELLER, who believes strongly in this. Chairman MCCAIN and the ranking Democrat, Senator HOLLINGS, have both done very important work on aviation issues. They have pledged to join with me in directing the Department of Transportation inspector general to investigate these issues. In view of that announcement that is being made today, and in view of the bipartisan support for the Department of Transportation looking into these issues, I ask unanimous consent to withdraw my amendment this afternoon.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. WYDEN. Mr. President, I ask unanimous consent to have two articles printed in the RECORD.

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

[From the Los Angeles Times, Apr. 11, 2000]

AIR PASSENGERS ''FED UP'' WITH POOR SERVICE, SURVEY FINDS

(By Randolph E. Schmid)

WASHINGTON.—U.S. airlines spent a lot of time last year promising things would get better for their customers, but a new study suggests just the opposite occurred: Consumer complaints more than doubled.

''You can see that consumers are just fed up, fed up with poor service,'' Brent Bowen of the University of Nebraska at Omaha said in announcing the survey results Monday.

Consumer complaints were up 130% from 1998 to 1999, said Dean Headley of Wichita State University. They rose from 1.08 complaints per 100,000 passengers in 1998 to 2.48 per 100,000 last year.

Headley noted that improved Internet access made it easier to file complaints, but said that could not account for such a large increase.

The annual report, based on data collected by the Transportation Department, scores the air carriers on on-time performance, baggage handling, consumer complaints and denied boardings.

It found an overall decline in airline quality last year, with only baggage handling showing a slight improvement.

The airlines instituted a consumer bill of rights in December, after a year of pressure from Congress to improve service. A report to Congress by the Transportation Department's inspector general on how they are doing is scheduled for June.

Sen. Ron Wyden (D–Ore.), who pressed for legislation last year, said that if the upcoming report ''shows anything resembling what this study shows, I think we can get a real passenger bill of rights through Congress.''

''The report demonstrates that the airlines are not following through on the voluntary program,'' he said. ''They, of course, claim that it's early and they have just begun it . . . but this is an industry that again and again finds reasons to give passenger service short shrift.''

Diana Cronan of the Air Transport Assn., which represents the major airlines, noted that the airlines' voluntary ''customer first'' plan was not put into effect until the end of the year.

''We really would like to see the results next year when the plan has been in place for a full year. We really do believe that things will be better,'' she said.

Southwest Airlines ranked best overall, as it did in 1997. In 1998, the top spot went to USAirways, which fell to No. 6 in the new report.

This year, Continental finished second, followed by Delta, Northwest and Alaska Airlines. American was No. 7, followed by America West, TWA and United.

The report's only good news involved baggage handling. The study found that the industry mishandled 5.08 bags per 1,000 passengers in 1999, down from 5.16 per 1,000 a year earlier.

On the other hand, there was a drop in the portion of flights that arrived within 15 minutes of schedule. On-time performance slipped from 77.2% to 76.1% and denied boardings was virtually stable, edging from 0.87 per 10,000 passengers to 0.88.

The study was particularly critical of airlines for instituting what they called a series of anti-consumer rules designed to increase productivity.

These include tighter limits on carry-on bags, bans on carry-on food, not allowing a consumer to take an earlier connection when a seat is available and raising fees to change tickets.

''Soon, consumers will become driven by price and schedule only and regard airline loyalty as having no tangible value,'' the author concluded.

The Transportation Department, which independently reports on airline performance, found similar problems through February.

Consumers registered 1,999 complaints about the 10 largest carriers in February, slightly down from January but nearly double a year earlier.

It found that 74.8% of flights arrived on time in February—also slightly better than in January but not as good as 78.9% in February 1999.

The airlines had a mishandled baggage rate of 4.81 reports per 1,000 passengers in February, an improvement from a year earlier.

Headley acknowledged the new passenger bill of rights instituted by airlines late last year and allowed that change does take time. But, he argued, the steps promised by the airlines were things they should have been doing already.

The carriers pledged to be more forthright with passengers all the way through their travel experience. They promised to volunteer the lowest air fares or cheaper travel options when people call for reservations and to give passengers at least 24 hours to cancel ticket purchases.

They also said they would update passengers at 15- to 20-minute intervals when there are delays.

AIRLINE COMPLAINTS SOAR

Airline quality declined in 1999 despite efforts by the carriers to improve service. The 10 major U.S. airlines carried nearly 500 million domestic airline passengers in 1999. The volume of consumer complaints rose 130% over 1998. Although improved reporting may account for some of the increase, it does not account for all of it. How the major airlines fared in four categories; best performers[1] are:

Airline	Percentage of on-time arrivals	Bumped per 10,000 passengers	Mishandled baggage per 1,000 passengers	Complaints per 100,000 passengers
Overall	76.1	0.88	5.08	2.48
Alaska	71.0	0.91	5.75	1.64
America West	69.5	1.39	4.52	3.73
American	73.5	0.43	5.21	3.50
Continental	76.6	0.34	4.42	2.62
Delta	78.0	1.53	4.39	1.82
Northwest	79.9	[1]0.18	4.81	2.93
Southwest	80.0	1.38	[1]4.22	[1]0.40
TWA	[1]80.9	0.73	5.38	3.45
United	74.4	0.90	7.01	2.66
US Airways	71.4	0.52	5.08	3.15

[1] Best performers.
Sources: Airline Quality Rating 2000; Associated Press.
Researched by NONA YATES/Los Angeles Times.

[From the Washington Post, Apr. 11, 2000]

AIRLINE SERVICE DIPS IN 3 OF 4 CATEGORIES

(By Frank Swoboda)

Just when you thought air travel was bound to get better, it got worse.

A year after the nation's 10 major airlines promised to begin improving service in the face of mounting congressional threats to enact a series of passenger protections, a survey released yesterday shows that service in 1999 deteriorated in almost every category.

Arlington-based US Airways plunged from first in 1998 to sixth last year, showing poor performance in all service categories surveyed.

''We've acknowledged the issues. The numbers speak for themselves,'' said US Airways spokesman Richard Weintraub. He said government statistics since the start of the year indicate that the airline is now headed back into the ''top tier'' of airline service.

The survey—the Airline Quality Rating—is the 10th annual report by two university professors who track the level of service through government statistics gathered by the Department of Transportation.

The findings were based on an airline's on-time performance, baggage handling, consumer complaints and involuntarily denied boardings, such as when an airline overbooks a flight and forces some passengers to be denied seats for which they had already paid. The only improvement shown by the survey was a slight drop in complaints about baggage handling.

The survey tracked the statistics for 10 major airlines using the Department of Transportation's definition of ''major.'' The airlines, rated from best to worst, were: Southwest, Continental, Delta, Northwest, Alaska, US Airways, American, American West, TWA and United.

''We try to base this on pure performance, something the airline has some control over,'' said Dean Headley of Wichita State University and a coauthor of the survey with Brent Bowen, director of the Aviation Institute at the University of Nebraska in Omaha.

Headley said he was not surprised by the survey results, but that he was frustrated by the rise in complaints against the airlines, especially after they had all promised to improve service. He said the Internet has made it easier for people to complain but could not account for such a large increase in the number of complaints—up 130 percent between 1998 and 1999.

In December, after nearly a year of promising to improve service in the face of rising consumer complaints and congressional threats, the airlines adopted what they called a consumer bill of rights in an effort to head off threatened government intervention on behalf of passengers. That threat began in January 1999, when Northwest stranded a planeload of passengers on a snowy Detroit runway for nearly eight hours.

Nebraska's Bowen said the report's conclusion that overall industry quality continues to decline indicates that ''the entire airline-sponsored plan to increase customer services is failing.''

A spokeswoman for the Air Transport Association, the trade group that represents the airlines, said the voluntary bill of rights initiated by the airlines has only been in effect a few months. She said the airlines' new policy should be in place a full year before people judge whether service has improved.

The transportation department's inspector general is scheduled to issue a report to Congress in June on just how well the airlines are doing. A negative report from DOT in an election year is almost certain to rekindle calls for congressional action.

Sen. Ron Wyden (D–Ore.), an advocate of legislation to force better service from the airlines, said that if the inspector general's report mirrors the conclusions of yesterday's study, ''it really strengthens my hand.'' Wyden said yesterday's survey ''was a credible report because these fellows have been doing it a long time and they are not normally industry bashers.''

Last year, Wyden proposed a bill that would force the airlines to tell customers when a flight was overbooked and to give them information on all available fares on a specific flight. The bill would also allow passengers to get a refund if they canceled a ticket at least 48 hours before a flight.

Headley and Bowen concluded that unless airlines improve service, consumers will lose loyalty to individual carriers and ''become driven by price and schedule only.''

But Headley said that despite his concerns about deteriorating air service, he did not think setting industry service standards was the answer. ''I'm a big fan of not regulating if we can avoid it,'' he said.

Mr. ALLARD. Mr. President, I ask unanimous consent that the vote in relation to the Allard amendment be stacked to occur first in any sequence of votes that are scheduled relative to the Transportation appropriations bill. Further, I ask that no amendments be in order to the amendment prior to the vote.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. VOINOVICH). Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—E-SIGNATURES CONFERENCE REPORT

Mr. REID. Mr. President, on behalf of the leader, I ask unanimous consent that when the Senate considers the e-signatures conference report, the conference report be considered as having been read and it be considered under the following agreement:

Three hours to be equally divided between the chairman and ranking minority member of the Commerce Committee, or their designees, with 20 minutes each for Senators LEAHY, SARBANES, and WYDEN.

I further ask consent that following the use or yielding back of time, the conference report be laid aside and the vote occur at 9:30 a.m. on Friday on the adoption of the conference report. I further ask consent that immediately following that vote the Senate proceed to executive session for the consideration of the following nominations reported by the Judiciary Committee:

Laura Swain, U.S. District Judge for Southern District of New York; Beverly Martin, U.S. District Judge for Northern District of Georgia; Jay Garcia-Gregory, U.S. District Judge for District of Puerto Rico.

I further ask that the nominations then be confirmed, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then resume legislative session.

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

Mr. SHELBY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

MAGNA CARTA

Mr. BYRD. Mr. President, today is a very special anniversary. One will not find it noted on most calendars. Although it lacks the familiarity of the anniversary of the writing of the Constitution, for example, it is a day well worth remembering. The 15th day of this month deserves our attention for one very fundamental reason which is quite important to this Republic and to those of us in this Chamber. It marks the birth of the idea that ours is a government of laws and not of men, and that no man, no man is above the law.

Seven hundred and eighty-five years ago, on June 15, 1215, English barons met on the plains of Runnymede, on the Thames River near Windsor Castle, to present a list of demands to their king. King John had recently engaged in a series of costly and disastrous military adventures against France. These operations had drained the royal treasury and forced King John to receive the barons' list of demands. These demands—known as the Articles of the Barons—were intended as a restatement of ancient baronial liberties, as a limitation on the king's power to raise funds, and as a reassertion of the principle of due process under law, at that time referred to in these words, ''law of the land.'' Under great pressure, King John accepted the barons' demands on June 15 and set his royal seal to their set of stipulations. Four days later, the king and barons agreed on a formal version of that document. It is that version that we know today as Magna Carta. Thirteen copies were made and distributed to every English county to be read to all freemen. Four of those copies survive today.

Several of this ancient document's sixty-three clauses are of towering importance to our system of government. The thirty-ninth clause, evident in the U.S. Constitution's Fifth and Fourteenth amendments, underscores the vital importance of the rule of law and due process of law. It reads ''No freeman shall be captured or imprisoned . . . except by lawful judgment of his peers or by the law of the land.''

Beginning with Henry III, the nine-year-old who succeeded King John in 1216, English kings reaffirmed Magna Carta many times, and in 1297 under Edward I it became a fundamental part of English law in the confirmation of the charters. (An original of the 1297 edition is on indefinite loan from the Perot Foundation and is displayed in the rotunda of the National Archives.) In 1368, that would have been under the reign of Edward III, a statute of Edward III established the supremacy of Magna Carta by requiring that it ''be holden and kept in all Points; and if there be any Statute made to the contrary, it shall be holden for none.''

In the early 1600s, the jurist and parliamentary leader Sir Edward Coke interpreted Magna Carta as an instrument of human liberty, and in doing so, made it a weapon in the parliamentary struggle against the gathering absolutism of the Stuart monarchy. As he proclaimed to Parliament in 1628, ''Magna Carta will have no sovereign.'' Unless Englishmen insist on their rights, another observed, ''then farewell Parliaments and farewell England.''

By the end of that century, through the course of civil war and the Glorious Revolution, the rights of self-government, first acknowledged in 1215, became firmly secured.

As settlers began their migration to England's colonies throughout the seventeenth and early eighteenth centuries, they took with them an understanding of their laws and liberties as Englishmen. Magna Carta inspired William Penn as he shaped Pennsylvania's charter of government. Members of the colonial Stamp Act Congress in 1765 interpreted Magna Carta to secure the right to jury trials.

After the colonies declared their independence of Great Britain, many of their new state constitutions carried bills of rights derived from the 1215 charter, Magna Carta. As University of Virginia law professor A.E. Dick Howard notes in his classic study of the subject, by the twentieth century, Magna Carta had become ''irrevocably embedded into the fabric of American constitutionalism, both by contributing specific concepts such as due process of law and by being the ultimate symbol of constitutional government under a rule of law.''

In 1975, the British Parliament offered Congress and the American people a most generous gift. To celebrate two hundred years of American independence from Great Britain, Parliament offered to loan one of Magna Carta's four surviving copies to the United States Congress for a year. The document they selected is known as the Wymes copy and is regularly displayed in the British Library. Parliament also made a permanent gift of a magnificent display case bearing a gold replica of Magna Carta.

A delegation of Senators and Representatives traveled to London in May 1976 to receive that document at a colorful and thronged ceremony in Westminster Hall. On June 3, 1976, a distinguished delegation of parliamentary officials joined their American counterparts for a gala ceremony in the Capitol Rotunda. The display case containing Magna Carta was placed near the Rotunda's center, where, over the following year, more than five million visitors had the rare opportunity to view this fundamental charter at close range.

At a June 13, 1977, ceremony concluding the exhibit, I offered brief remarks in my capacity as Senate Majority Leader. I noted that nothing during the previous bicentennial year had meant more to the nation than this gift. I recalled the Lord Chancellor's diplomatic interpretation, during the 1976 ceremony, of the reasons for the bicentennial celebrations. This is what he said:

> What happened two hundred years ago, we learned, was not a victory by the American colonies over Britain but rather a joint victory for freedom by the English-speaking world.

Today, the magnificent display case remains in the Capitol Rotunda as a reminder of our two nations' joint political heritage. I encourage my colleagues to visit this case in the rotunda and examine its panel with raised gold text duplicating that of Magna Carta. What better way could we choose to observe this very special anniversary day?

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2001—Continued

AMENDMENTS NOS. 3441, 3443, 3445, EN BLOC

Mr. SHELBY. Mr. President, I call up the following amendments and ask for their immediate adoption. They have cleared on both sides: No. 3441 on behalf of Senator MCCAIN, Nos. 3443 and 3445 on behalf of Senator TORRICELLI.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alabama [Mr. SHELBY], proposes amendments numbered 3443, and 3445.

The amendments are as follows:

AMENDMENT NO. 3441

(Purpose: To require a cap on the total amount of Federal funds invested in Boston's ''Big Dig'' project)

At the appropriate place insert the following:

SEC. . CAP AGREEMENT FOR BOSTON "BIG DIG".

No funds appropriated by this Act may be used by the Department of Transportation to cover the administrative costs (including salaries and expenses of officers and employees of the Department) to authorize project approvals or advance construction authority for the Central Artery/Third Harbor Tunnel project in Boston, Massachusetts, until the Secretary of Transportation and the State of Massachusetts have entered into a written agreement that limits the total Federal contribution to the project to not more than $8.549 billion.

___

AMENDMENT NO. 3443

(Purpose: To express the sense of the Senate that Congress and the President should immediately take steps to address the growing safety hazard associated with the lack of adequate parking space for trucks along Interstate highways)

At the appropriate place in title III, insert the following:

SEC. 3___. PARKING SPACE FOR TRUCKS.

(a) FINDINGS.—Congress finds that—

(1) in 1998, there were 5,374 truck-related highway fatalities and 4,935 trucks involved in fatal crashes;

(2) a Special Investigation Report published by the National Transportation Safety Board in May 2000 found that research conducted by the National Highway Traffic Safety Administration suggests that truck driver fatigue is a contributing factor in as many as 30 to 40 percent of all heavy truck accidents;

(3) a 1995 Transportation Safety Board Study found that the availability of parking for truck drivers can have a direct impact on the incidence of fatigue-related accidents;

(4) a 1996 study by the Federal Highway Administration found that there is a nationwide shortfall of 28,400 truck parking spaces in public rest areas, a number expected to reach 39,000 by 2005;

(5) a 1999 survey conducted by the Owner-Operator Independent Drivers Association found that over 90 percent of its members have difficulty finding parking spaces in rest areas at least once a week; and

(6) because of overcrowding at rest areas, truckers are increasingly forced to park on the entrance and exit ramps of highways, in shopping center parking lots, at shipper locations, and on the shoulders of roadways, thereby increasing the risk of serious accidents.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress and the President should take immediate steps to address the lack of safe available commercial vehicle parking along Interstate highways for truck drivers.

___

AMENDMENT NO. 3445

(Purpose: Relating to a study of adverse effects of idling train engines)

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

SEC. ___. STUDY OF ADVERSE EFFECTS OF IDLING TRAIN ENGINES.

(a) STUDY REQUIRED.—The Secretary of Transportation shall provide under section 150303 of title 36, United States Code, for the National Academy of Sciences to conduct a study on noise impacts of railroad operations, including idling train engines on the quality of life of nearby communities, the quality of the environment (including consideration of air pollution), and safety, and to submit a report on the study to the Secretary. The report shall include recommendations for mitigation to combat rail noise, standards for determining when noise mitigation is required, needed changes in Federal law to give Federal, State, and local governments flexibility in combating railroad noise, and possible funding mechanisms for financing mitigation projects.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of Transportation shall transmit to Congress the report of the National Academy of Sciences on the results of the study under subsection (a).

Mr. SHELBY. Those amendments have been cleared on both sides. I urge the adoption of the amendments.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendments.

The amendments (Nos. 3441, 3443, 3445) were agreed to en bloc.

AMENDMENT NO. 3441

Mr. MCCAIN. Mr. President, my amendment is very simple and straight forward. It prevents Department of Transportation officials from authorizing project approvals or advance construction authority for the Central Artery/Third Harbor Tunnel project in Boston, Massachusetts, until the Secretary and the State have entered into a written agreement capping the federal contribution to the project.

Mr. President, last month I chaired a four-hour hearing in the Senate Commerce Committee on the Boston Central Artery/Tunnel project—the biggest, most costly public works project in U.S. history—and commonly referred to as ''the Big Dig.'' This project has suffered from gross mismanagement and what appears to have been a complete lack of critical federal oversight. It has experienced billions of dollars in cost overruns.

The Central/Artery Tunnel project was originally estimated to cost $2.5 billion in 1985. Today it is estimated to cost U.S. taxpayers a staggering $13.6 billion.

During the Committee's hearing, there was a lengthy exchange between myself, Senator KERRY, Secretary Slater, and DOT-Inspector General Ken Mead concerning the federal obligation to this project. I argued then, as I do now, that there is no cap on the federal obligation. Senator KERRY argued there is. And Secretary Slater said we were both right!

Let me read a few lines from the May 3rd hearing transcript:

The CHAIRMAN: Mr. Secretary, is there a cap on the Federal share of the project costs?

Secretary SLATER: Mr. Chairman, there is a cap. It is true though, as you noted, and as Senator Kerry noted, that it is not in the statute or necessarily in writing.

I ask my colleagues, if it isn't in statute or in writing, then where is it? The answer is, of course, that it doesn't currently exist.

Mr. President, it is not my intent to stop the Boston project. The project should be completed as quickly and as fiscally responsibly as possible.

The purpose of my amendment is to direct the Secretary and the State of Massachusetts to do what the Secretary said he would do at the May 3rd hearing—to execute a written agreement capping the federal obligation of the project at the level announced by the Department—that is, no more than $8.549 billion.

It has been six weeks since the Secretary indicated the Department was working on an agreement to cap the funding. DOT officials informed my office again today that an agreement is in the works and I am to be assured it will include the $8.549 billion cap. Given this, I can think of no reason why not to support my amendment to spur their actions to execute the agreement sooner rather than later.

The House-passed DOT Appropriations bill includes a provision that would effectively halt the project for fiscal year 2001. My amendment would not do that. It just ensures that the promised written agreement is executed once and for all and that the American taxpayers are not on the hook of having any more gas tax dollars shifted away from other important highway infrastructure projects.

Again, there is no cap on the Federal funding share for the project. In my view, a federal cap would help ensure the project managers reign in their run-away costs and project overruns because they will not be able to expect the rest of the nation's highway dollars to be funneled into their project.

This amendment is fair, it is based on what the Secretary of DOT has promised, and it is what is already in the works. Let's help encourage the timely resolution of this important matter so that the needed continuation of construction of the Central Artery/Tunnel project is not further impeded.

Mr. KENNEDY. Mr. President, I don't oppose Senator MCCAIN's amendment. It reflects the current broad understanding about the status of the Central Artery/Tunnel project in Boston.

The Big Dig project has suffered from serious cost overruns and there is no disagreement about who will pay for those costs. The Chairman of the Massachusetts Turnpike Authority, the governor of Massachusetts, the leaders of the State legislature, the Secretary of the U.S. Department of Transportation, the Inspector General of the Department, the Massachusetts Congressional delegation, and Senator MCCAIN all agree that the total federal contribution remains as it was—$8.549 billion. It is the responsibility of the Commonwealth of Massachusetts to cover any increased costs.

The state has developed a plan to do just that, and it is a good plan. The state legislature and Governor Cellucci have worked effectively to prepare a realistic plan to pay for the increased costs of the Big Dig, without asking for

additional federal assistance, and without shortchanging important transportation projects throughout the rest of the state. The plan is currently being reviewed by the Federal Highway Administration and is likely to be approved very soon.

It is also important to appreciate all that is involved in this project, and all that it will do for Boston and the region. Work of this magnitude and duration has never before been attempted in the heart of an urban area. Unlike any other major highway project, the Central Artery/Tunnel Project is designed to maintain traffic capacity and access to residents and businesses. Using new and innovative technology, it has kept the city open for business throughout the construction.

The Big Dig is replacing the current six lane elevated roadway with eight to ten underground lanes. The project will create 150 acres of new parks and open space, including 27 acres where the existing elevated highway now stands.

This is an urgently needed project. Today, the Central Artery carries 190,000 vehicles a day with bumper-to-bumper traffic and stop-and-go congestion for six to eight hours every day. If nothing were done, the elevated highway would suffer through bumper-to-bumper conditions for 15 to 16 hours a day by the year 2000.

The new underground expressway will be able to carry 245,000 vehicles a day with minimal delays. The elimination of hours of congested traffic will reduce Boston carbon monoxide levels by 12 percent citywide. Without such improvements in its transportation, Boston would not be able to continue to grow as the center of economic activity for the state and the region.

Work on this important project is progressing effectively again. I look forward to its conclusion so that the city, state, and region can benefit from the needed improvements this project will bring.

AMENDMENTS NOS. 3432, AS MODIFIED; 3436, AS MODIFIED; 3438, AS MODIFIED; 3447, AS MODIFIED; 3451, 3452, 3453, EN BLOC

Mr. SHELBY. Mr. President, I send to the desk on behalf of myself and Senator LAUTENBERG, a package of amendments and ask for their immediate consideration: No. 3432, as modified, by Senator DOMENICI; No. 3436, as modified, for Senator REED; No. 3438, as modified, for Senator KOHL; No. 3447, as modified, for Senator DODD; an amendment, No. 3451, for Senator COCHRAN on Star Landing Road; an amendment, No. 3452, for Senator BAUCUS and Senator BURNS on highway projects on Federal land; an amendment No. 3453, for Senator NICKLES of a technical nature.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alabama [Mr. SHELBY] proposes amendments numbered 3432, as modified, 3436, as modified, 3438, as modified, 3447, as modified, 3451, 3452, and 3453, en bloc.

The amendments are as follows:

AMENDMENT NO. 3432, AS MODIFIED

Page 16, under the heading ''FACILITIES AND EQUIPMENT (AIRPORT AND AIRWAY TRUST FUND)'' after ''under this head;'' add ''and to make grants to carry out the Small Community Air Service Development Pilot program under Sec. 41743 in title 49, U.S.C.;''

Page 17, after the last proviso under the heading ''FACILITIES AND EQUIPMENT (AIRPORT AND AIRWAY TRUST FUND)'' and before the heading ''RESEARCH, ENGINEERING, AND DEVELOPMENT (AIRPORT AND AIRWAY TRUST FUND)'' add ''*Provided further,* That notwithstanding any other provision of law, not more than $20,000,000 of funds made available under this heading in fiscal year 2001 may be obligated for grants under the Small Community Air Service Development Pilot Program under section 41743 of title 49, U.S.C. subject to the normal reprogramming guidelines.''

AMENDMENT NO. 3436,AS MODIFIED

At the appropriate place in the substituted original text, insert the following;

SEC. . Within the funds made available in this Act, $10,000,000 shall be for the costs associated with construction of a third track on the Northeast Corridor between Davisville and Central Falls, Rhode Island, with sufficient clearance to accommodate double stack freight cars, to be matched by the State of Rhode Island or its designee on a dollar-for-dollar basis and to remain available until expended; $2,000,000 shall be for a joint United States-Canada commission to study the feasibility of connecting the rail system in Alaska to the North American continental rail system; $400,000 shall be allocated for passenger rail corridor planning activities to fund the preparation of a strategic plan for development of the Gulf Coast High Speed Rail Corridor; and $250,000 shall be available to the city of Traverse City, Michigan comprehensive transportation plan.

AMENDMENT NO. 3438, AS MODIFIED

(Purpose: To state the sense of the Senate regarding funding for Coast Guard acquisitions and for Coast Guard operations during fiscal year 2001)

At the appropriate place, insert the following:

SEC. ___. (a) FINDINGS.—The Senate makes the following findings:

(1) The United States Coast Guard in 1999 saved approximately 3,800 lives in providing the essential service of maritime safety.

(2) The United States Coast Guard in 1999 prevented 111,689 pounds of cocaine and 28,872 pounds of marijuana from entering the United States in providing the essential service of maritime security.

(3) The United States Coast Guard in 1999 boarded more than 14,000 fishing vessels to check for compliance with safety and environmental laws in providing the essential service of the protection of natural resources.

(4) The United States Coast Guard in 1999 ensured the safe passage of nearly 1,000,000 commercial vessel transits through congested harbors with vessel traffic services in providing the essential service of maritime mobility.

(5) The United States Coast Guard in 1999 sent international training teams to help more than 50 countries develop their maritime services in providing the essential service national defense.

(6) Each year, the United States Coast Guard ensures the safe passage of more than 200,000,000 tons of cargo cross the Great Lakes including iron ore, coal, and limestone. Shipping on the Great Lakes faces a unique challenge because the shipping season begins and ends in ice anywhere from 3 to 15 feet thick. The ice-breaking vessel MACKINAW has allowed commerce to continue under these conditions. However, the productive life of the MACKINAW will end in 2006.

(7) Without adequate funding, the United States Coast Guard would have to radically reduce the level of service it provides to the American public.

(8) The allocation to the Committee on Appropriations of the Senate of funds available for the Department of Transportation and related agencies for fiscal year 2001 was $1,600,000,000 less than the allocation to the Committee on Appropriations of the House of Representatives of funds available for that purpose for that fiscal year. The lower allocation compelled the Subcommittee on Transportation of the Committee on Appropriations of the Senate to recommend reductions from the funding requested in the President budget on funds available for the Coast Guard, particularly amounts available for acquisitions, that may not have been imposed had a larger allocation been made or had the President's budget not included $212 million in new user fees on the maritime community. The difference between the amount of funds requested by the Coast Guard for the AC&I account and the amount made available by the Committee on Appropriations of the Senate for those acquisitions conflicts with the high priority afforded by the Senate to AC&I procurements, which are of critical national importance to commerce, navigation, and safety.

(9) Due to shortfalls in funds available for fiscal year 2000 and unexpected increases in personnel benefits and fuel costs on the 2000 operating expenses account, the Commandant of the Coast Guard has announced reductions in critical operations of the Coast Guard by as much as 30 percent in some areas of the United States. If left unaddressed, these shortfalls may compromise the service provided by the Coast Guard to the public in all areas, including drug interdiction and migrant interdiction, aid to navigation, and fisheries management.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the committee of conference on the bill H.R. 4425 of the 106th Congress, making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2001, or any other appropriate committee of conference of the second session of the 106th Congress, should approve supplemental funding for the Coast Guard for fiscal year 2000 as soon as is practicable; and

(2) upon adoption of this bill by the Senate, the conferees of the Senate to the committee of conference on the bill H.R. 4475 of the 106th Congress, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2001, provided there is sufficient budget authority, should—

(A) recede from their disagreement to the proposal of the conferees of the House of Representatives to the committee of conference on the bill H.R. 4475 with respect to funding for AC&I;

(B) provide adequate funds for operations of the Coast Guard in fiscal year 2001, including activities relating to drug and migrant interdiction and fisheries enforcement; and

(C) provide sufficient funds for the Coast Guard in fiscal year 2001 to correct the 30 percent reduction in funds for operations of the Coast Guard in fiscal year 2000.

AMENDMENT NO. 3447, AS MODIFIED

(Purpose: To provide that new starts funding shall be available for a project to re-electrify the rail line between Danbury, Connecticut and Norwalk, Connecticut)

On page 39 of the substituted original text, between lines 18 and 19, insert the following: ''Danbury-Norwalk Rail Line Re-Electrification Project''.

AMENDMENT NO. 3451

(Purpose: To make available funds previously appropriated for the Star Landing Road project in DeSoto County, MS)

At the appropriate place in bill add the following new section:

SEC. . For the purpose of constructing an underpass to improve access and enhance highway/rail safety and economic development along Star Landing Road in DeSoto, County, Mississippi, the State of Mississippi may use funds previously allocated to it under the transportation enhancements program, if available.

AMENDMENT NO. 3452

Section 1214 of Public Law No. 105–178, as amended, if further amended by adding a new subsection to read as follows:

(s) Notwithstanding sections 117(c) and (d) of title 23, United States Code, for project number 1646 in section 1602 of Public Law No. 105–178:

(1) The non-Federal share of the project may be funded by Federal funds from an agency or agencies not part of the United States Department of Transportation; and

(2) The Secretary shall not delegate responsibility for carrying out the project to a State.

AMENDMENT NO. 3453

In lieu of section 343 on p. 76, insert a new section 343 as follows:

SEC. 343. CONVEYANCE OF AIRPORT PROPERTY TO AN INSTITUTION OF HIGHER EDUCATION IN OKLAHOMA.

(a) IN GENERAL.—Notwithstanding any other provision of law, including the Surplus Property Act of 1944 (58 Stat. 765, chapter 479; 50 U.S.C. App. 1622 et seq.), the Secretary of Transportation (or the appropriate Federal officer) may waive, without charge, any of the terms contained in any deed of conveyance described in subsection (b) that restrict the use of any land described in such a deed that, as of the date of enactment of this Act, is not being used for the operation of an airport or for air traffic. A waiver made under the preceding sentence shall be deemed to be consistent with the requirements of section 47153 of title 49, United States Code.

(b) DEED OF CONVEYANCE.—A deed of conveyance referred to in subsection (a) is a deed of conveyance issued by the United States before the date of enactment of this Act for the conveyance of lands to a public institution of higher education in Oklahoma.

(c) USE OF LANDS SUBJECT TO WAIVER.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the lands subject to a waiver under subsection (a) shall not be subject to any term, condition, reservation, or restriction that would otherwise apply to that land as a result of the conveyance of that land by the United States to the institution of higher education.

(2) USE OF LANDS.—An institution of higher education that is issued a waiver under subsection (a) may use revenues derived from the use, operation, or disposal of that land only for weather-related and educational purposes that include benefits for aviation.

(d) GRANTS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, if an institution of higher education that is subject to a waiver under subsection (a) received financial assistance in the form of a grant from the Federal Aviation Administration or a predecessor agency before the date of enactment of this Act, then the Secretary of Transportation may waive the repayment of the outstanding amount of any grant that the institution of higher education would otherwise be required to pay.

(2) ELIGIBILITY TO RECEIVE SUBSEQUENT GRANTS.—Nothing in paragraph (1) shall affect the eligibility of an institution of higher education that is subject to that paragraph from receiving grants from the Secretary of Transportation under chapter 471 of title 49, United States Code, or under any other provision of law relating to financial assistance provided through the Federal Aviation Administration.

Mr. DOMENICI. Mr. President, this amendment is to provide $20 million to support rural air service to the Department of Transportation and Related Agencies Appropriations bill for fiscal year 2001.

The Wendell H. Ford Aviation and Investment Reform Act of the 21st Century (AIR–21) included in Section 203 a provision to provide grants to attract and subsidize improved air carrier service to airports currently receiving inadequate service. The provision authorizes $20 million for grants of up to $500,000 to communities or community consortia which meet certain criteria for participation in the program.

My amendment would provide discretionary authority to the Secretary of Transportation to implement this pilot program utilizing not more than $20 million in FY 2001 for this purpose.

Mr. President, I want to emphasize how important this program is to my home State of New Mexico, particularly southeastern New Mexico where I have worked for years to bring rural air service to that part of the state. The communities of Roswell, Hobbs, Carlsbad, and Artesia have formed a consortium in anticipation of applying for federal funds under this program. The consortium has raised $200,000 in local funding and $200,000 in state funds, and can demonstrate that existing air service in that part of the state is insufficent and is accompanied by unreasonably higher fares. The southeastern New Mexico consortium is precisely the sort of applicant this grant program is intended to benefit. A similar consortium is being put together in northern New Mexico.

I urge my colleagues to support this amendment to provide badly needed air service to rural areas in the country.

Mr. BINGAMAN. Mr. President, first I want to thank my colleague, Senator DOMENICI, for his work on this amendment, and Chairman SHELBY and Senator LAUTENBERG for adding this important funding to the Transportation Appropriations Bill. Our amendment provides funding for a new program to help rural communities with inadequate or uneconomical commercial air service to attract new air carriers or to improve their existing service.

Mr. President, for a number of years, as I traveled around New Mexico, I heard from many of our community and business leaders about the importance of commercial air service to support economic development and attract new employers to rural parts of my state. To help address this problem, last year I worked with the Commerce Committee, and especially Senators ROCKEFELLER and DORGAN, to authorize a new program to help rural communities to improve their commercial air service. The authorization for this new program was included in the Wendell Ford Aviation Investment and Reform Act for the 21st Century, which Congress passed and the President signed earlier this year.

At the same time, the New Mexico State Legislature, lead by Senators Altamirano, Ingle, Jennings, Kidd, and Leavell, established a $500,000 state program to provide matching funds to communities that wanted to improve their commercial air service. Almost immediately, agreements were signed and new air service was made available to Taos and Los Alamos—cities that previously had no commercial air service. More recently, agreements have been signed with a consortium of cities in Southeastern New Mexico, including Roswell, Carlsbad, Hobbs and Lea and Eddy Counties. These are exactly the kinds of communities this program we are funding today is designed to help.

Mr. President, I am pleased the committee has found a way to fund this important program for rural communities. I want to work with the committee as the bill goes to conference to ensure that this funding is retained. I again thank Chairman SHELBY and Senator LAUTENBERG for their help.

● Mr. ROCKEFELLER. Mr. President, I come to the floor to urge the passage of the Domenici, Bingaman and Burns amendment to the Department of Transportation Appropriations Act, Senate Amendment 3432. This amendment appropriates $20 million for grants supporting the Small Community Air Service Development Pilot program, properly targeting necessary funding to needy small airports.

When I became Ranking Member of the Aviation Subcommittee, I was determined to make support of small airports a priority. This March, I helped craft the Wendell H. Ford Aviation and Reform Act of the 21st Century (FAIR–21), the Federal Aviation Administration and the Airport Improvement Program bill authorizing $40 billion for aviation funding, the largest increase in aviation funding ever. This included significant new funding for rural airports. In 1998, I had authored the Air Service Restoration Act, directing the Department of Transportation to make new priorities and incentives supporting the development of airports in small communities, which was incorporated into FAIR–21. The Domenici-Bingaman-Burns amendment builds on these efforts and makes the proposed funding a reality.

The Domenici-Bingaman-Burns amendment provides the funding small

airports need. Small airports are an essential part of our aviation infrastructure. Without improvements to our small airports, we will stymy the economic growth of less developed areas. We know transportation is vital to economic development and that improving air transportation needs more Congressional attention. Senator DOMENICI sponsored this amendment with Senators BURNS and BINGAMAN and made it a priority and possible. But I would like to especially note the work of my good friend and respected colleague, Senator BINGAMAN, who deserves tremendous credit for his assiduous efforts to make sure this funding is available. I wholeheartedly endorse this amendment and urge its adoption as part of the Department of Transportation Appropriation Act.●

Mr. SHELBY. These amendments have been cleared on both sides of the aisle.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendments.

The amendments (Nos. 3432, as modified; 3436, as modified; 3438, as modified; 3447, as modified, 3451, 3452, and 3453,) were agreed to, en bloc.

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

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

The motion to lay on the table was agreed to.

Mr. SHELBY. Mr. President, this completes the amendments that the managers can clear from the list of amendments. The remaining amendments on the list either have rule XVI points of order that lie against them or the managers have been unable to clear. For all intents and purposes, we are done. I intend to urge third reading and final passage in short order.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, we have a unanimous consent agreement we would like to enter in the near future. We are waiting to hear from one Senator prior to doing that. It is my understanding Senator BYRD is on the floor. He has some remarks he wishes to make while we are waiting for clearance from the other Senator.

The PRESIDING OFFICER. The Senator from West Virginia.

FATHER'S DAY

Mr. BYRD. Mr. President, I thank our very distinguished Democratic whip, Mr. REID, for his accommodation. I thank the distinguished manager of the bill, Mr. SHELBY, for his characteristic kindness and consideration.

Mr. President, this Sunday, June 18, is Father's Day. The Bible tells us to ''honor thy father and thy mother.'' I would like to take just a few minutes to pay tribute to fathers and to call particular attention to this coming Sunday, that day of special significance.

An old English proverb tells us that ''one father is more than 100 schoolmasters.'' Fatherhood is the most compelling, the most profound responsibility in a man's life.

For those of us who are fathers, there is nothing that we can do here in this Chamber that is more important than our commitment to our children. And, of course, with the greatest responsibilities, come the greatest joys and the greatest challenges. For those of us who are blessed with a long life, we learn that existence is an intricate mosaic of tranquility and difficulty. Struggles, along with blessings, are an inevitable, and instructive, part of life. A caring father prepares us for this reality. He teaches us that, in human nature, there is no perfection, there is simply the obligation to do one's best.

My foster father, Titus Dalton Byrd, my aunt's husband, gave me my name and to a great extent the best aspects—and there are a few, I suppose—of my character. His was not an easy life. He struggled to support his wife and his little foster son during the depths of the Great Depression. This Nation is today blessed with the greatest economy the world has ever known. But, for those of us who remember the terrible poverty that gripped this Nation during the 1930's, prosperity, at one time in our lives, seemed a very, very long time in coming. It seemed far, far away.

The test of character, the real test of character in a nation is how that nation responds to adversity, and the same with regard to a person, how that person responds to adversity, not only in his own life but in the lives of others.

The Roman philosopher Seneca said that ''fire is the test of gold; adversity, of strong men.''

In this respect, Titus Dalton Byrd was a great teacher. He easily could have been a bitter man, a despairing man. He could have raged at his lot in life. He could have forsaken his family. He could have forsaken his faith.

I remember as clear as if it were yesterday watching for that man, that tall black-haired man with a red mustache coming down the railroad tracks. I recall watching for him as I looked far up the tracks that led ultimately to the mine, the East Five Mine in Stotesbury where he worked. I would see him coming from afar, and I would run to meet him.

As I neared him, he would always set his dinner bucket down on a cross tie. He would lift off the top of that dinner bucket, and as I came to him, he would reach in and he would bring out a cake, a little 5-cent cake that had been bought at the coal company store.

He would reach down into that dinner bucket. He would pull out that cake and give it to me, after he had worked all day, from early morning to quitting time. And in the early days, quitting time was when the coal miner loaded the coal, loaded the slate, the rock, and cleaned up his ''place'' for the next day.

He had gone through those hours with the timbers to the right and the timbers to the left, cracking under the weight of millions of tons of earth overhead. He had sweated. He had worked on his knees, many times working in water holes because the roof of the mine was perhaps only 4 feet or 3 feet above the ground. He toiled there with a shovel, with a pick, and his calloused hands showed the result of that daily hard toil. Of course, he wore gloves and he wore kneepads so that he could make his way on the ground, on his knees, lifting the coal by the shovelful and dumping it over into the mine car. There he worked in the darkness except for a carbide lamp. It was a very hazardous and dangerous job. But when he had his lunch, he ate the rest of the food but always saved the cake.

When I ran to meet him, he would set down the dinner pail and lift off the cover and reach in and get that cake and give it to me. He always saved the cake for me.

He was an unassuming man. Unlike me, he never said very much. He took the hard licks as they came. I never heard him use God's name in vain in all the years I lived with him. Never. He never complained. When he sat down to eat at the table, he never complained at the humble fare. I never heard him complain. He was as honest as the day was long. When he died, he did not owe any man a penny. He always represented a triumph of the human spirit to me. He honored his responsibilities. He did his duty.

He could not be characterized as a literate man. He never read Emerson's essays or Milton's ''Paradise Lost'' or Bocaccio's ''Decameron,'' or the ''History of Rome.'' He could hardly read at all. I suppose the only book he ever read was the Bible. His formal education was in the school of hard knocks, but he was a wise man. He knew right from wrong.

That sounds simple, even quaint, in these sophisticated times, but it surely is not. Cicero said, ''The function of wisdom is to discriminate between good and evil.'' To genuinely know right from wrong and to honor that as the guiding force in one's life—that is not always simple. That is not always easy. Brilliant theologians of every faith on Earth will tell you that such moral discernment is a central spiritual challenge of a human life. But my dad knew right from wrong. He read his Bible, the King James' version of the Bible.

When the burdens of my dad's life were almost too heavy to bear during the desperate poverty of the Great Depression, his faith never wavered that the Creator would give him the strength he needed. Abraham Lincoln, as he contended with the overwhelming agonies of a nation torn apart by a great civil war, said of the Bible:

> This great Book . . . is the best gift God has given to man.

Mr. President, this is a lesson that great men, whether mighty or humble, have learned, and it is the lesson my dad taught me.

We live now in what has been termed the age of information. But, as we salute our fathers on this coming Sunday, this is an opportune time to again sound a note of caution for our children. Information is not the same as wisdom. Our society, including our children and our grandchildren, and our great grandchildren, is bombarded with information and entertainment, such as it is, useless, tasteless, and bewildering, much of which is geared to our basest instincts and our tawdriest impulses. It is a parade of the lowest common denominator all too often. This is the more complicated world with which parents today must contend. Parents need to instill wisdom in their children, a moral sense that will enable their children to navigate through a volatile sea of uplifting and distressing images.

My dad, like most rural people, who was not used to much, never had much, found solace and understanding in nature. He understood the generous and bountiful delights of nature. The flowers of spring, this blessed season which officially gives way to summer on June 21, call us back to the beauty and sweetness of the world, and perhaps hint at what is best within ourselves as well. Spring is the season of rebirth, the season of replenishment. I defy any cluttered, tumultuous, cacophonous television program to compete with the simple, quiet drama of the forsythias, the dogwoods, the roses, and the azaleas, to compete with a single miraculous bud.

James Russell Lowell wrote:

And what is so rare as a day in June?
Then, if ever, come perfect days;
Then Heaven tries earth if it be in tune,
And over it softly her warm ear lays:
Whether we look, or whether we listen;
We hear life murmur, or see it glisten.

As I have said, my dad was not himself a formally educated man. But, he understood and he appreciated nature, and he knew the tremendous value of an education. That is why he wanted me to go on to school. He did not want me to be a coal miner. He did not want me to earn my living in that way. He encouraged, indeed, he demanded that I study hard. He looked at that report card. He looked at that category denominated ''deportment.'' And he always said: If you get a whipping at school, I'll give you a whipping when you get home. And I knew that that one would be the worst of the two. But he loved me. I knew he loved me. That is why he threatened to whip me; it was because he loved me.

He encouraged me to study hard and to develop my mind. He wanted something better for me. He knew that education was the key that I would need to unlock the potential in my own life.

So, Titus Dalton Byrd was a model for me not only of the virtuous individual life, but of married life as well. He and my mom, my Aunt Vlurma, were married for 53 years. I do not recall ever witnessing either of them raise a voice in anger against the other. And I heard them say from time to time: We have made it a pledge that both of us would not be angry at the same time.

I have always counted myself as truly fortunate—truly fortunate—even though my life's ladder had the bottom rungs taken away. You ought to see where I lived, Mr. President. You ought some time to go with me down Mercer County and see where I lived—3 miles up the hollow, with no electricity, with no running water, the nearest hospital 15, 20 miles away, the nearest doctor the same. That was back in the days of the 2-cent stamp, the penny postcard. Some things were better; some things were not. But I have always counted myself as truly fortunate in having such exemplary role models.

A lot of people say today there are no role models anymore. Well, I had two role models in the good old man and woman who reared me.

They set the standard to which I have not always succeeded but I have always aspired. And, on May 29, my beloved wife Erma and I celebrated our 63rd wedding anniversary.

We both came from families, from mothers and fathers, who tried to bring us up right. And they inculcated into us a dedication to one's oath.

Like, I suspect, many fathers whose jobs consume so much of their time and energy, I regret the times away from my daughters when they were children. I am grateful for the capable and loving efforts of Erma who has shouldered so much of the responsibilities at my home. To the extent, limited though it may be, that I have been a good father, I am humbly indebted to Erma's having been such a wonderful mother. Our journey as a family has been a more tranquil one thanks to her patience, her understanding, and her strength.

Of course, the roles of fathers—and mothers—in some ways have changed a great deal over the course of my lifetime. Parents today are confronted with far more choices at home and work than my wife and I ever encountered when we began our family. But, one thing has not changed. One thing has, in my opinion, remained constant. Parenthood is, ideally, a partnership, a collaboration. It is a vitally important, lifelong responsibility, and best experienced, whenever possible, in the shared, balanced efforts of both parents.

No mortal soul is perfect or without fault. That is the reality of being human. We are all prey to losing our way at difficult times in our lives. But, a good father will provide his child with a map, a path to follow. The hallmark of that path, throughout life, is conscience. It is that inner moral compass that has been so essential to the greatness of our Nation, and that is, I fear, so buffeted now by an aimless, hedonistic popular culture.

The ancient truths of our fathers are perhaps more obscure in this noisy, materialistic society, but they are still there—still there—gleaming and bright. John Adams, one of the great Founding Fathers of this Nation, said:

All sober inquiries after truth, ancient and modern, divines, moralists and philosophers, have agreed that the happiness of mankind, as well as the real dignity of human nature, consists in virtue.

The material things, with all their appeal and their comfort, are, in the end, fleeting. They are all transient. I remember not so much the tangible things—other than a piece of cake perhaps—that my dad gave me, as the values that he taught me. It is the treasured, if fleeting, moments together, the lessons learned, that endure. I can say now, from the perspective of a long and full and eventful life, that that is what matters. That is the greatest gift we can receive as children, and that is the greatest gift that we can bequest as parents.

A caring father is a lifelong comfort. I remember the stoic and kindly face of Titus Dalton Byrd. He encouraged me, he protected me, and his memory still guides me.

Mr. President, I have met with Kings in my lifetime, with Shahs, with Princes, with Presidents, with Princesses, with Queens, with Senators, with Governors, but I am here to say today that the greatest man that I ever knew in my long life, the really great man that I really knew in my long life, was my dad, Titus Dalton Byrd.

He taught me, in word and in deed, to work hard, to do my absolute best.

I close with this bit of verse:

THAT DAD OF MINE

He's slowing down, as some folks say
With the burden of years from day to day;
His brow bears many a furrowed line;
He's growing old—that dad of mine.

His shoulders droop, and his step is slow;
And his hair is white, as white as snow;
But his kind eyes sparkle with a friendly light;
His smile is warm, and his heart is right.

He's old? Oh, yes. But only in years,
For his spirit soars as the sunset nears.
And blest I've been, and wealth I've had,
In knowing a man like my old dad.

And proud I am to stand by him,
As he stood by me when the way was dim;
I've found him worthy and just as fine,
A prince of men—that dad of mine.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I personally appreciate the remarks of the Senator from West Virginia. I only hope that my five children will reflect upon their dad someday as he has his.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, the one thing we can always count on from Senator BYRD is to throw in some good, sensible reflection as we go on battering one another, at times over sometimes important things but sometimes not so important. There is a commercial about one of the brokerage firms, that when that firm speaks, everybody listens. When Senator BYRD

speaks, everybody should listen. We have a collection of his papers on the Senate, but he has done so many other things. Just think of the voice, but look at the message, and you capture the essence of Senator BYRD. I am going to miss him terribly when I leave here.

Mr. BYRD. I thank the Senator.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2001—Continued

AMENDMENT NO. 3440

(Purpose: To condition the use by the FAA Airport Office of non-safety related funds on the FAA's completion of its investigation in Docket No. 13–95–05)

Mr. SHELBY. Mr. President, I call up amendment No. 3440 on behalf of Senator MCCAIN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Alabama [Mr. SHELBY], for Mr. MCCAIN, proposes an amendment numbered 3440.

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

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . ADDITIONAL SANCTION FOR REVENUE DIVERSION.

Except as necessary to ensure public safety, no amount appropriated under this or any other Act may be used to fund any airport-related grant for the Los Angeles International Airport made to the City of Los Angeles, or any inter-governmental body of which it is a member, by the Department of Transportation or the Federal Aviation Administration, until the Administration—

(1) concludes the investigation initiated in Docket 13–95–05; and

(2) either—

(A) takes action, if necessary and appropriate, on the basis of the investigation to ensure compliance with applicable laws, policies, and grant assurances regarding revenue use and retention by an airport; or

(B) determines that no action is warranted.

Mr. SHELBY. Mr. President, this amendment has been cleared on both sides of the aisle. I have talked to Senator LAUTENBERG about it. I ask for its immediate adoption.

The PRESIDING OFFICER. Is there debate on the amendment? If not, without objection, the amendment is agreed to.

The amendment (No. 3440) was agreed to.

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

Mr. LAUTENBERG. I move to lay that motion on the table. The motion to lay on the table was agreed to.

Mr. MCCAIN. Mr. President, I thank the managers of the Transportation Appropriations bill for accepting my amendment that would prohibit the Department of Transportation from making any airport grant to the Los Angeles International Airport until the Federal Aviation Administration concludes an investigation into illegal revenue diversion at the airport. The exception to this prohibition would be if such grants were required to ensure public safety. The investigation at issue here has been going on for more than five years without resolution, and American taxpayers deserve to know whether their money has been used for illegal purposes.

The investigation of revenue diversion about which I am concerned involves the City of Los Angeles and the Los Angeles International Airport, LAX. Unfortunately, this airport has served as the poster child for the problem of illegal revenue diversion for as long as I care to remember. In this case, a complaint was filed with the FAA in 1995 about the transfer of $59 million from LAX to the city. Despite the fact that the DOT's Office of Inspector General has periodically contacted the FAA to inquire about the status of a decision by the FAA on the complaint, no decision has been forthcoming. As the Inspector General stated in a recent memo to the FAA on this subject, 5 years should be more than sufficient time for the FAA to consider the facts in the case and render a decision.

If there is no objection, I ask unanimous consent to print the Inspector General's memo in the RECORD.

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

(See Exhibit 1.)

Mr. MCCAIN. It is with a deep sense of frustration that I am compelled to act on this matter. As many of my colleagues know, I have been fighting against the illegal diversion of airport revenues for purposes that do not serve the aviation system. In fact, four years ago I spearheaded the legislative effort in the Senate to strengthen the laws against such revenue diversions.

Because we have a national air transportation system with considerable federal investment and oversight, funded in large part by the users of the system, it is critical that airports or the bodies that control them do not use monies for non-airport purposes. We cannot allow airports to receive federal grant dollars on the one hand, and spend other airport revenues for non-aviation purposes. This type of shell game results in the misuse of the underlying grant. That is one of the principal reasons there are laws against diversions of airport revenues. Unfortunately, many cities that control airports see them as sources of cash that can be tapped for popular purposes.

Another reason that revenue diversion is harmful is that our Nation's airports are meant to be self-sustaining. By keeping monies generated by airports at those airports, we ensure that an important part of the national transportation system is kept strong. If airports are used to generate cash for local jurisdictions, the airport itself will suffer from the loss of resources. Even worse, air travelers will be effectively double taxed—once through federal aviation excise taxes, and a second time through the higher air fares that airlines will charge when their costs of maintaining the airport go up.

I stress that I am not advocating a specific result in this matter, and I trust that whatever decision or course of action the FAA may take will be made in the best interests of the country. In that vein, my amendment would allow grants to be made once the investigation is concluded, even if the determination is made that no action is necessary.

Again, I seek no preferential treatment for any of the parties in this matter. I desire only that this investigation be conducted appropriately, fairly, and in a timely manner. The delays that have occurred so far are just not acceptable.

Again, I thank my colleagues for accepting my amendment.

EXHIBIT 1

U.S. DEPARTMENT OF TRANSPORTATION,
May 10, 2000.

MEMORANDUM

To: Jane F. Garvey, Federal Aviation Administrator
From: Kenneth M. Mead, Inspector General
Subject: Action: Complaint by Air Transport Association Concerning Los Angeles International Airport

The Air Transport Association (ATA) requested the Inspector General's assistance in expediting resolution of ATA's formal complaint to FAA over the transfer of revenues from Los Angeles International Airport (Airport) to the City of Los Angeles (City). The complaint, filed in March 1995 pursuant to FAA's Investigative and Enforcement Procedures (14 CFR Part 13), questioned the transfer of about $59 million from the Airport to the City. These funds were the proceeds from sale of Airport property to the State of California Department of Transportation for construction of the Century Freeway. The ATA considered the transfer to be a prohibited revenue diversion in violation of Federal regulations and grant assurances.

In May 1996 we issued a Management Advisory Memorandum (Report Number R9–FA–6–011) to your Associate Administrator for Airports discussing issues which FAA needed to consider in its deliberations on the merits of the ATA complaint. We pointed out the land sold to the State of California was used for aeronautical purposes, was purchased by the Airport, and severance damages associated with the sale should be paid to the Airport. In a June 1996 reply to our memorandum, FAA agreed to consider our information and make the memorandum a part of the Record of Decision on the complaint.

Over the past several years we have periodically contacted your Office of Associate Administrator for Airports to inquire as to the status of a decision by FAA on the ATA complaint. However, no decision on the complaint has been forthcoming.

On Apri 26, 2000, we informed the Acting Associate Administrator for Airports of the ATA request and she promised to look into why it was taking so long to resolve this complaint. Five years has elapsed since ATA filed its complaint. This should be more than sufficient time for FAA to consider the facts in the case and render a decision.

Please advise us as to when FAA expects to render a decision on the ATA complaint. If

the decision is not forthcoming in the near term, please provide the estimated date of completion and an explanation for further delays.

If you have any questions, or would like additional information, please contact me at (202) 366–1959, or my Deputy, Raymond J. DeCarli, at (202) 366–6767.

Mr. SHELBY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. SHELBY. Mr. President, I ask unanimous consent that Senator LAUTENBERG be recognized for 5 minutes before we proceed to vote on the Allard amendment. I further ask unanimous consent that following the vote, I be recognized to offer an amendment; following the disposition of that amendment, the bill then be read a third time and the Senate then proceed to the vote on passage of the bill, as amended. I further ask unanimous consent that following that vote, the Senate then insist on its amendments and request a conference with the House; further, that Senator GORTON then be immediately recognized in order to make a motion to instruct conferees relative to CAFE.

Further, I ask unanimous consent that there be 2 hours equally divided in the usual form for debate on the motion, divided in the usual form, with an additional 15 minutes under the control of Senator LEVIN, 15 minutes under the control of Senator ABRAHAM, and 15 additional minutes for the proponents of the motion, with no amendments to the motion in order.

Finally, I ask unanimous consent that following that time, the Senate proceed to vote in relation to the motion and that the Chair then be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, I want to make sure that everyone understands the minority.

We are doing our best to be cooperative here. But the original arrangement was that we would be able to spend some time on the Defense authorization bill. Under this agreement that will be entered shortly, we will be very lucky to finish a vote on the CAFE instructions to conferees by 7 o'clock tonight. That is an inappropriate time for us to begin some very serious deliberations that we have on a matter relating to Cuba, to abortion, and to military hospitals.

So I want the majority to be put on notice that we expect, next week, to have adequate time to go into these issues, and others. There has been a gentlemen's understanding between the two leaders that we would do half and half. We just haven't been getting our half over here on the authorization matters. We hope there will be something done next week to allow us to do that. Otherwise, we could have some problems.

I have no objection.

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

The Senator from New Jersey is recognized for 5 minutes.

AMENDMENT NO. 3430

Mr. LAUTENBERG. Mr. President, I want to talk about this Allard amendment because it gives an appearance of reserving $12.2 billion for deficit reduction. I support that goal, and I am not going to oppose this amendment. But I really want to make it clear that, as a practical matter, this amendment has no meaning. Nobody should fool themselves into believing otherwise.

The current budget rules already protect budget surpluses by establishing limits on discretionary spending and by requiring offsets for all new mandatory spending or tax cuts. These rules require across-the-board cuts if Congress raids any surplus by exceeding the spending caps or by violating the so-called pay-as-you-go rules. So this amendment doesn't add any new protections to those already in law, nor does it change the provisions in current law that require all surpluses to be used to reduce our public debt.

The amendment claims to promote debt reduction by depositing $12.2 billion into a trust fund that generally is used for receipts of gifts from foreign countries, the proceeds of which are automatically dedicated to debt reduction.

Well, that sounds good. I don't think it is going to do any harm. But it doesn't change anything, realistically. It is an intragovernmental transfer, taking from one end of the Government and giving it to another. It doesn't affect the bottom line, and it doesn't add any protections that don't already exist.

I point out, also, that we are on a course to reduce publicly held debt by a lot more than $12.2 billion this year. Under the budget resolution, all of the roughly $150 billion Social Security surplus, and more than $12 billion of the non-Social Security surplus, is already devoted to debt reduction. So there is roughly a $160 billion reserve for debt reduction already.

The Congressional Budget Office is expected to add another $30 billion to $40 billion in their re-estimate to that total within the next few weeks. So while we are on track to reduce the debt by potentially $200 billion this year, including perhaps $50 billion from the non-Social Security surplus, this amendment stands for the bold proposition that we should commit at least $12.2 billion for debt reduction. Again, it is likely that we are going to have a $200 billion debt reduction this year. So I don't understand, and I am not quite sure why we are doing this or why we have to define $12.2 billion as directed to debt reduction.

In sum, the amendment claims it is going to reduce debt by a lot less than we are already on track to reduce, and it doesn't have any practical effect. Perhaps it will make some folks feel good, and I am not going to object to its adoption; but this is an exercise that is unnecessary and doesn't accomplish really anything. But we are all in the process of saluting debt reduction, and this is just another salute, I guess.

I yield the floor. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. LAUTENBERG. I yield back whatever time we have.

The PRESIDING OFFICER. Under the previous order, the question is now on agreeing to the Allard amendment No. 3430.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) is necessarily absent.

Mr. REID. I announce that the Senator from West Virginia (Mr. ROCKEFELLER) is necessarily absent

The PRESIDING OFFICER (Mr. DEWINE). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 95, nays 3, as follows:

[Rollcall Vote No. 131 Leg.]

YEAS—95

Abraham	Feingold	Lugar
Akaka	Feinstein	Mack
Allard	Fitzgerald	McCain
Ashcroft	Frist	McConnell
Baucus	Gorton	Mikulski
Bayh	Graham	Moynihan
Bennett	Gramm	Murkowski
Biden	Grams	Murray
Bingaman	Grassley	Nickles
Bond	Gregg	Reed
Boxer	Hagel	Reid
Breaux	Harkin	Robb
Brownback	Hatch	Roberts
Bryan	Helms	Roth
Bunning	Hutchinson	Santorum
Burns	Hutchison	Sarbanes
Campbell	Inhofe	Schumer
Chafee, L.	Inouye	Sessions
Cleland	Jeffords	Shelby
Cochran	Johnson	Smith (NH)
Collins	Kennedy	Smith (OR)
Conrad	Kerrey	Snowe
Coverdell	Kerry	Specter
Craig	Kohl	Stevens
Crapo	Kyl	Thomas
Daschle	Landrieu	Thompson
DeWine	Lautenberg	Thurmond
Dodd	Leahy	Torricelli
Dorgan	Levin	Voinovich
Durbin	Lieberman	Warner
Edwards	Lincoln	Wyden
Enzi	Lott	

NAYS—3

Byrd	Hollings	Wellstone

NOT VOTING—2

Domenici	Rockefeller

The amendment (No. 3430) was agreed to.

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

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

The motion to lay on the table was agreed to.

WAAS

Mr. INHOFE. Would the Senator yield for a brief colloquy?

Mr. SHELBY. I yield to the Senator from Oklahoma.

Mr. INHOFE. I thank the Senator for yielding. I want to commend the chairman of the Transportation Appropriations Subcommittee for developing this legislation. I understand the constraints of the allocation given the subcommittee and I believe he and the gentleman from New Jersey have done a great job in developing a bill the entire Senate can support.

As a general aviation pilot I also want to specifically thank the Senator for his recognition throughout the legislation of the role of general aviation in the national air transportation system. As the report correctly noted, ''the FAA should not let the perfect be the enemy of the good'' and although for example the WAAS program is struggling, the legislation notes the number of satellite based applications that can be deployed here and now to enhance aviation safety.

As you move to conference, would the Chairman be willing to work with me on language for inclusion in the Statement of Managers to enhance direction to the FAA in this particular regard? Increasing the number of GPS approaches, developing databases and GPS corridors through Class B airspace will immediately improve safety for thousands of general aviation pilots.

Mr. SHELBY. I thank the Senator for yielding and for his kind words regarding our legislation. We would be pleased to work with the Senator and I support the thrust of his request.

His request tracks very closely with the subcommittee's philosophy regarding FAA modernization. Funds provided in this bill for next generation navigation should not be used solely to protect programs which our bill report details are struggling to various degrees but to deploy the immediate benefits of satellite based technologies as quickly as possible.

I thank the Senator for his interest and look forward to working with him.

Mr. INHOFE. I thank the Senator.

USE OF SMALL DUMMIES IN THE NEW CAR ASSESSMENT PROGRAM

Mrs. BOXER. I would like to ask my distinguished friend, the Senator from Alabama, about committee report language on the Fiscal Year 2001 Transportation Appropriations bill that affects the use of small dummies in the New Car Assessment Program, or NCAP. Let me quote from the relevant section of the report:

The Committee denies the request to expand NCAP by using small size dummies in crash tests. The Committee believes that test devices should be required for use in safety standards compliance testing before being considered for inclusion in NCAP.

As my good friend knows, the National Highway Transportation Safety Administration (NHTSA) currently conducts crash tests using dummies that meet a standard for full-grown adult men, and I am concerned that this report language would prevent the public from learning how new cars would perform in crashes involving occupants of all sizes—smaller adults and children.

Mr. SHELBY. I thank the Senator from California for the opportunity to clarify the committee's intent with respect to the committee's response to NHTSA's request to test the ''feasibility of using the 5th percentile dummy'' as indicated in the budget justification. The committee intended with this report language to ensure that NCAP would be expanded to include small size dummies until those dummies are certified for use in crash tests conducted to verify compliance with federal motor vehicle safety standards. I am very supportive of the expanding the number of crash test dummies to more accurately simulate the diverse height and weight of vehicle occupants. The intent was not to prevent the agency from using small dummies nor to prevent NHTSA from acquiring test data essential. To the contrary, the committee provides additional funding in the relevant Research and Analysis contract program.

I want to underscore how important it is for members of the committee and the entire body to have accurate and consistent information from NHTSA in order to proceed with expanded NCAP tests. Indeed, the committee has received conflicting information from NHTSA regarding the readiness of small size dummies for use in crash tests.

Mrs. BOXER. I thank the Senator for his answer, and I agree that it is essential that safety dummies used in the NCAP program in fact provide adequate and reliable data to consumers and automobile manufacturers alike. I appreciate that there has been some confusion with respect to certification of the so-called small 5th percentile dummy, but I now have information from NHTSA which indicates that the dummy has been thoroughly tested and certified through the appropriate rulemaking process.

Would he under these circumstances commit to making every effort in the conference committee on the Transportation bill to change that specific report language to reflect this information from NHTSA?

Mr. SHELBY. I assure the Senator from California that I will continue to consult with NHTSA regarding the design and reliability of the small size dummies. I believe it is critical that these dummies be satisfactorily developed in time for compliance testing associated with the new advanced air bag rule in 2004.

NATIONAL PLANNING AND RESEARCH PROGRAM

Mr. COCHRAN. Mr. President, as the Senator from Alabama is aware, this bill includes funding for a number of transit planning and research grants under the National Planning and Research Program. The Committee report that accompanies the bill identifies a number of individual research projects, including several university based projects, and the amount of federal funding to be provided for each. I commend the Chairman and the Subcommittee for their support for University based research into transit and related transportation matters. I would inquire of the Chairman whether he was aware of Jackson State University's transportation research capabilities and their plan to establish an institute at the University to utilize the disciplines of information technology, engineering, environmental science, public policy and business to provide technical and other assistance to transportation planners, local governments and others involved in multimodal transportation?

Mr. SHELBY. Mr. President, I am advised that the Senator from Mississippi did bring this matter to the Subcommittee's attention and requested the Subcommittee's consideration for funding. As the Senator from Mississippi knows, the subcommittee considered a number of requests for research projects that could not be funded within the allocations. However, I share the Senator from Mississippi's view that the research program proposed by Jackson State University would make an important contribution to multi-modal transportation research.

Mr. COCHRAN. Mr. President, I appreciate the Chairman's response, and I hope he will work in conference to provide funding for the Jackson State University Transportation Institute.

BUS FACILITIES

Mr. LEVIN. Mr. President, we have before the Senate H.R. 4475, the fiscal year 2001 Appropriations Act for transportation. Included in the Senate Committee Report is the statement: State of Michigan buses and bus facilities: Despite unanimous supported agreements among the Michigan Public Transit Association, its members, and the Michigan Department of Transportation that Section 5309 bus funds to Michigan transit agencies be distributed through MDOT, designations of funds to individual transit agencies continue to be sought and proposed apart from the agreement. The Committee directs that any fiscal year 2001 discretionary bus funds for projects in Michigan be distributed through MDOT in accordance with the MPTA–MDOT agreement.

I have spoken with many local jurisdictions who do not agree that there has been an agreement that all money would go to the Michigan Department of Transportation and that there would be no specific earmarks.

I have a letter here from the President of the Michigan Public Transit Association which states that it was understood by MPTA that Michigan

transit systems be allowed to pursue their own individual earmarks. I have requested such earmarks from the Committee. I ask consent that this letter be inserted in the RECORD at the conclusion of this colloquy.

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

(See exhibit 1.)

Mr. LAUTENBERG. I thank the Senator from Michigan, and he is correct, there is language in the Committee Report which directs that any fiscal year 2001 discretionary bus funds for projects in Michigan be distributed through MDOT in accordance with the MPTA–MDOT agreement.

Mr. LEVIN. I ask that you consider in conference our specific requests as well as the overall allocation of $70 million for Bus Grants for Bus Dependent States.

Mr. LAUTENBERG. I assure the Senator from Michigan that specific requests will be carefully considered.

EXHIBIT 1

MICHIGAN PUBLIC TRANSIT ASSOCIATION,
Lansing, MI, June 15, 2000.

To: Michigan Congressional Delegation

In regard to FY 2000–01 Section 5309 earmarks to the State of Michigan, the Michigan Public Transit Association is in support of both the State's priority list for earmarks as provided to the Michigan Congressional Delegation, and will support any individual earmarks that Michigan areas have requested. There is no agreement that says that the State of Michigan will get all the earmark funds. We understand that the State of Michigan has submitted a priority list in which certain facility projects will receive the first priority, and bus replacement needs in Michigan will receive the second priority. The Michigan Public Transit Association supports Michigan Department of Transportation identification of needs and has agreed to the prioritization. We furthermore understand that transit systems will be asking for special earmarks for projects and we are supportive of all the requests. We urge the Michigan Congressional Delegation to secure the largest possible earmark to the State of Michigan, and to provide individual earmarks at the highest possible levels to transit systems in Michigan.

The above is what was agreed to between Michigan public transit systems and the Michigan Department of Transportation at meetings held in January and February of this year. It is clearly our understanding that transit systems in Michigan are allowed to pursue their own individual earmarks at the same time as we are supportive of the State receiving funds and distributing them in accordance with their agreed to priority list.

Sincerely,

PETER VARGA,
President.

Mr. LAUTENBERG, Mr. President, I would like one moment to ask Senator SHELBY, chairman of the Transportation Appropriations Subcommittee, a brief question. Mr. Chairman, would you agree that the Jamaica Intermodal Project in Jamaica, Queens, New York is eligible to receive bus funds along with the other projects listed in the Committee report?

Mr. SHELBY. Mr. President, I would agree.

Mr. DOMENICI. Mr. President, I rise in support of the Department of Transportation and Related agencies Appropriations bill for fiscal year 2001.

I commend the distinguished chairman of the Appropriations Committee and the chairman of the Transportation Appropriations Subcommittee for bringing us a balanced bill within necessary budget constraints.

The Senate-reported bill provides $15.3 billion in new budget authority (BA) and $19.2 billion in new outlays to fund the programs of the Department of Transportation, including federal-aid highways, mass transit, and aviation activities. When outlays from prior-year budget authority and other adjustments are taken into account, the bill totals $14.0 billion in BA and $48.0 billion in outlays.

The Senate-reported bill is exactly at the subcommittee's 302(b) allocation for budget authority, and the bill is $310 million in outlays under the Subcommittee's 302(b) allocation.

I thank the chairman for the consideration he gave to New Mexico's transportation priorities.

Mr. President, I support the bill and urge its adoption.

I ask unanimous consent to have printed in the RECORD spending comparisons of the Senate-reported bill.

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

H.R. 4475, TRANSPORTATION APPROPRIATIONS, 2001
SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal year 2001, in millions of dollars]

	General purpose	Highways	Mass transit [1]	Mandatory	Total
Senate-reported bill:					
Budget authority	13,281	.....	.....	739	14,020
Outlays	15,663	26,920	4,639	737	47,959
Senate 302(b) allocation:					
Budget authority	13,281	.....	.....	739	14,020
Outlays	15,973	26,920	4,639	737	48,269
2000 level:					
Budget authority	12,536	.....	.....	721	13,257
Outlays	14,635	24,338	4,569	717	44,259
President's request [2]:					
Budget authority	13,911	.....	.....	739	14,650
Outlays	15,661	26,677	4,646	737	47,721
House-passed bill [2]:					
Budget authority	13,735	.....	.....	739	14,474
Outlays	15,948	26,920	4,639	737	48,244
SENATE-REPORTED BILL COMPARED TO					
Senate 302(b) allocation:					
Budget authority	.....	.....	.....	.....	.....
Outlays	−310	.....	.....	.....	−310
2000 level:					
Budget authority	745	.....	.....	18	763
Outlays	1,028	2,582	70	20	3,700
President's request:					
Budget authority	−630	.....	.....	.....	−630
Outlays	2	243	−7	.....	238
House-passed bill:					
Budget authority	−454	.....	.....	.....	−454
Outlays	−285	.....	.....	.....	−285

[1] Although the President's request, House-passed, and Senate-reported versions of this bill all include $1.254 billion in BA for the mass transit category, there is no such allocation to compare it to, so those amounts are omitted.

[2] For comparison purposes, outlays for the highways and mass transit categories for the President's request and the House-passed bill are adjusted by the same amounts as the Senate-reported bill to reflect the difference between CBO's estimate of outlays for implementing TEA–21 and OMB's calculation of the the TEA–21 caps for those categories.

Note.—Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

DENVER METRO AREA

Mr. CAMPBELL. Mr. President, I seek recognition to raise an issue of importance to my home state of Colorado with the distinguished chairman of the Transportation Appropriations Subcommittee, Senator SHELBY.

I commend my friend and colleague from Alabama, Senator SHELBY, for his effective leadership on this important Transportation Appropriations bill. I take this opportunity to call to his attention a matter of highway safety in the increasingly congested Denver Metro area, particularly the I–25 ramps project near downtown Denver.

I–25 is the most congested highway artery in the State of Colorado and has more accidents per miles driven than any other traffic corridor in the State. All of the ramps in this project area are separated by inadequate distances. Funds for this project would increase these distances and therefore increase safety.

The amount of traffic directed onto the 17th Avenue and 23rd Avenue ramps off of I–25 is expected to grow to a point that would overwhelm the already unsafe traffic volumes on these ramps.

I am concerned that even today, the ramps are substandard and could be considered unsafe. Under the design recommendations of the American Association of State Highway and Transportation Officials (AASHTO), the minimum safe distance between an ON and OFF ramp is 1,600 feet. These ramps are only 435 and 750 feet apart.

The Average Daily Traffic (ADT) for these ramps is 40,800 yet the current ramps are designed for only 12,000 ADT. These ramps are currently at 340 percent over capacity and they can't handle more traffic without funding for this project.

I have been working with the Subcommittee on Transportation Appropriations to help the Denver Metro area and Colorado and very much appreciate the Chairman's assistance. A key priority for me is to improve highway safety in Metro Denver through this ramps project. Because of the budget constraints, however, the subcommittee was not able to include the project at this time. Will the Chairman be able to assist my efforts in seeking this funding as we move towards Conference?

Mr. SHELBY. Mr. President, I thank the Senior Senator from Colorado for raising the issue of highway ramps to improve safety on the roads in the Metro Denver area. Based on the Transportation Subcommittee's review of highways across the country, it is clear that Colorado, especially the Denver Metro area, has one of the fastest growth rates in the country and has specific transportation needs.

I support the Senator's request for assistance on the particular highway project he mentions, and will be happy to work with him to identify funding for this important safety and capacity project as we move towards Conference.

Mr. WYDEN. Mr. President, I rise to voice my concerns about Section 335 of the Transportation Appropriations bill.

This section flatly bans the Department of Transportation from even considering any reform of the commercial drivers' Hours of Service (HOS) regulations, which limit the time that drivers spend behind the wheel of large trucks and buses. The provision shuts off all funding for DOT current and future efforts to ensure drivers receive adequate rest. This sweeping ban on any further consideration of HOS regulations goes too far.

Section 335 would not even give DOT a chance to try to address concerns that have been raised about its proposed regulations. DOT would be prohibited from holding public hearings on the changes (several are planned for this month alone) or from even talking with drivers, law enforcement groups, and highway safety groups about the proposed changes. The measure also halts efforts to enhance HOS enforcement through on-board recorders—one of the National Transportation Safety Board's ten most wanted safety improvements.

The ban on any consideration of HOS reform also contradicts Congress' recent action to improve truck safety. Just last year Congress mandated the creation of a new truck safety agency within DOT, the Federal Motor Carrier Safety Administration. It is FMCSA's proposal to change the HOS regulations which has led to the ban in section 335 of the Transportation Appropriations bill. Moreover, in 1995, the Congress, through the medium of the Interstate Commerce Commission Termination Act (ICCTA), directed DOT to study the HOS regulations and suggest reforms. DOT and FMCSA have done so. The result of their efforts should not be the foreclosing of all debate on new driver safety rules.

Mr. FEINGOLD. Mr. President, as the Senate continues to debate this year's Transportation Appropriations bill, I am pleased to again express my support for high-speed passenger rail. Efficient high-speed passenger rail has many benefits: it helps to relieve some of our ever-increasing traffic congestion, it provides increased mobility for both business and personal travel, and it reduces pollution of the air we breathe. I have long supported a truly intermodal and effective transportation system and high-speed rail is a vital link in that chain.

Federal assistance is essential for the development of transit systems such as high-speed rail. The Federal Government has long had a major role, of course, in funding America's transportation network, from construction and maintenance of the interstate highway system to providing mass transit assistance to local governments. I believe the federal role is important because we need a coherent, responsible national transportation policy.

But I believe it is appropriate that state and local officials have the greatest role in making the important decisions about where our transportation money is spent, because they are the people who deal with the demands on all the elements of the transportation system on a daily basis. The great thing about high-speed passenger rail is that it incorporates the best of both worlds.

The Federal Government should be the partner of state and local government in transportation, where there are local, state and national interests. While it is crucial that we provide adequate funds for high-speed rail, it is also important for the Federal Government to support high-speed rail in other ways. To this end, I urge the Federal Railroad Administration to further develop its outreach activities to help promote awareness of high-speed rail as a viable option for providing dependable intercity transportation.

I am committed to supporting a sound national transportation infrastructure and to developing thoughtful, fair transportation policy that reflects the changing needs of our Nation and respects the role of state and local government as the main decision-makers. High speed passenger rail fits the bill.

Mr. CLELAND. Mr. President, as we vote today on the Transportation Appropriations bill for fiscal year 2001, I want to draw the attention of my colleagues to a remarkable achievement in the Atlanta region of my home state of Georgia. But first let me thank Chairman SHELBY and our Ranking Member, Senator LAUTENBERG, for their assistance on my state's transportation priorities in this bill.

The bill provides assistance for a number of alternative transportation projects, from water taxies to eliminating high-hazard grade crossings on the proposed Atlanta to Macon commuter rail line. We have direction to the Federal Railway Administration and funding to extend the agency's high-speed rail transportation plan from Charlotte, North Carolina, to Macon, Georgia. We have important funding to make up for a shortfall in funding to complete a regional transit study for metropolitan Atlanta, so that this fast growing region—whose motorists drive the longest distance of any metro area—can plan for a region-wide system of seamless intermodal transportation. We have the Georgia Regional Transportation Authority, GRTA, the Metropolitan Atlanta Rapid Transit Authority, MARTA, the Georgia Department of Transportation, Chatham Area Transit, and the Southern Coalition for Advanced Transportation on the eligibility list for bus funding. In addition, MARTA is eligible for New Starts mass transit rail funding. And, the maglev program to provide high-tech, high-speed fixed guideway service between Chattanooga, Tennessee, and Atlanta would receive $3 million to continue pre-construction planning in this Senate bill.

These are important projects, especially in light of the unanimous decision yesterday by the Georgia Regional Transportation Authority to approve the Transportation Improvement Program, TIP, for the Atlanta region. This was a remarkable event given the intense process that has been underway the past 12 weeks in Atlanta, culminating a two-year effort to submit a fiscally constrained, air quality conforming plan to the U.S. Department of Transportation for approval. As many of my colleagues know, the Atlanta region has been called the ''poster-child of urban sprawl.'' The region is in a conformity lapse, and, as a result, new highway and transit construction dollars are frozen until the Federal Government approves a plan that conforms with the Clean Air Act and the requirements of the Transportation Equity Act for the 21st Century.

The Atlanta region has developed and submitted a plan that has been under the closest scrutiny of any metropolitan region of the country. No other region has had to fulfill the requirements set forth by the Federal transportation agencies for not only local financial commitments, but to adopt a land-use strategy that would support the major public transportation investments called for in the TIP. In regard to these requests, let me remind my colleagues that the counties in my state are very protective of their home rule powers and rightly so, and Federal directives on local control issues are difficult to swallow.

Nevertheless, officials from the Atlanta Regional Commission, ARC, which is the metropolitan planning organization for the region, and from the Georgia Regional Transportation Authority, GRTA, our new regional agency established to implement the ARC's plan, worked with the Federal agencies to craft a process to ensure that the transportation alternatives in the TIP are successful. This 3-year TIP makes a very strong investment in alternative transportation. Half of the $1.9 billion plan is devoted to mass transit, bicycle, pedestrian and air quality improvement projects and only 10 percent is devoted to new capacity for single-occupant vehicles.

Even more important, the ARC and the GRTA are pledged to work together to implement a land use strategy that links the regional development plan with this transportation improvement program. This is an historic linkage of land-use guidelines with transportation improvements. The Atlanta Regional Development Plan calls for land use policies that strengthen town centers, foster transit-oriented development, encourage new development to be more clustered in portions of the region where new opportunities exist, protect environmentally sensitive areas, support the preservation of stable, single-family neighborhoods and encourage best development practices.

For the first time, these high-sounding goals are not just left to gather dust on a shelf. They are the guideposts for the region's transportation program. The GRTA resolution calls

the regional development plan ''an integral part of fulfilling its responsibility to manage land transportation and air quality. . . .''

Mr. President, I would like to point out that these plans for mixed-use and transit-oriented development do not mean that the GRTA is going to mandate high-density housing throughout the region. That could not be farther from the truth. What this plan sets out is that where opportunities exist along certain transportation corridors the counties should allow the free market to step in and build higher-density housing and commercial development that would attract support for transportation alternatives, such as express buses or commuter rail lines.

Let me state that many local governments have submitted written promises that they will do their part in implementing the TIP. Even more important, everybody is now fully aware of what will be expected of them. For that reason—and because the GRTA has pledged to use its influence to put the program into action—I believe moving forward is the right thing to do. I urge the Department of Transportation to move this plan forward. It is time to put solutions that improve air quality, reduce traffic congestion and provide transportation choices on the roads and railways in Atlanta.

Mr. President, at this time I ask unanimous consent that the full text of the GRTA resolution be printed in the RECORD.

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

RESOLUTION OF THE GEORGIA REGIONAL TRANSPORTATION AUTHORITY

RESOLUTION 00.6.1

Whereas, on May 10, 2000, the Georgia Regional Transportation Authority (GRTA) adopted a resolution relative to the Transportation Improvement Program for FY 2001–FY 2003;

Now, Therefore, Be It Resolved that GRTA approves the Atlanta Region Transportation Improvement Program, FY 2001–FY 2003, and further resolves:

Land Use: Be it further resolved that GRTA finds the policies and best development practices approved by the Atlanta Regional Commission Board on May 24, 2000, and described in ''A Framework for the Future: ARC's Regional Development Plan,'', October, 1999 to be an integral part of fulfilling its responsibility to manage land transportation and air quality; and

Be it further resolved that GRTA will use its resources and authority to cause the implementation of the policies and practices as described in ''A Framework for the Future: ARC's Regional Development Plan,'', October, 1999, and assumed and required by the RTP and the ARC Land Use Strategy commitments approved by the ARC Board on May 24, 2000, and

Funding/Projects: Be it further resolved that GRTA finds the prioritization, in cooperation with ARC and local governmental jurisdictions, of planning, funding and implementation of local and regional public transit (bus, rail, vanpool, carpool, and supporting infrastructure, such as a regional network of high-occupancy vehicle lanes), travel demand management programs and projects, and streets safe for walking and bicycling are important to fulfilling its responsibility to manage land transportation and air quality; and

Be it further resolved that GRTA adopts the jurisdiction-specific transportation funding assumptions detailed in the RTP/TIP and will use its resources and authority to cause the fulfillment of these local commitments assumed and required by the RTP/TIP, and

Cooperating Local Government Status: Be it further resolved, that GRTA's designation of cooperating local governments requires that the region's jurisdictions make satisfactory progress on the land use, fiscal and other assumptions and requirements of the RDP, RTP, TIP and the ARC Land Use Strategy commitments approved by the ARC Board on May 24, 2000, as well as regional and jurisdictional transportation and air quality goals, performance measures and targets established by GRTA, and

Be it further resolved that GRTA will establish regional and jurisdictional transportation and air quality goals, performance measures and targets prior to the next process to update/amend the TIP.

Environmental Justice: Be it further resolved, GRTA's approval of future TIPs require compliance of the TIP with all federal, state, and GRTA statutory and regulatory requirements for addressing the issue of environmental justice.

Speed Study: Be it further resolved, that GRTA, EPD, GDOT, and ARC will perform a comprehensive vehicle speed study for peak and non-peek traffic to address air quality considerations in support of the State Implementation Plan (SIP) for the non-attainment area to be completed by October 1, 2000.

Mr. LIEBERMAN. Mr. President, I rise today to express my concern about a rider that has been attached to the Transportation Appropriations bill in Congress for the past four years. The language of this rider prevents the Administration from even considering an increase to our nation's Corporate Average Fuel Economy, or CAFE. This rider was a bad idea when it was first introduced four years ago, and it is a bad idea today. This rider appears yet again in the FY2001 House Transportation Appropriations bill. I would like to voice my opposition to this rider and express my support for Senator GORTON's Motion to Instruct Conferees, which he is offering with Senators FEINSTEIN and BRYAN, that opposes the CAFE freeze.

Aside from my personal conviction about the importance of improved CAFE standards, I am troubled by this provision for another fundamental reason: this rider bars the Administration from considering—even discussing—making our cars more efficient. This Administration should be making decisions in light of all possible information, not being asked to forgo critical policy analyses simply because they are not allowed to freely evaluate different options.

Substantively, this rider forces the nation to bypass a critical opportunity to make our fleet of cars more efficient. The efficiency of our cars, or said another way, the number of miles our cars can travel on one gallon of gasoline, is important for a great number of reasons. First, because of recent and continuing increases in the price of fuel, we have felt firsthand the bite of high prices at the pump. The best answer to reducing the amount of money we spend each month on gasoline is to make our cars more efficient. We know this approach will work, because the doubling of fuel economy between 1975 and the mid 1980s saved new car purchasers an average of $3,000 in fuel over the lifetime of the car, at today's prices. The Union of Concerned Scientists estimates, for example, that if we were to raise light truck fuel economy to 27.5 miles per gallon, the most popular Sports Utility Vehicle in the country—the Ford Explorer—would go from traveling 19 miles to the gallon to traveling 34 miles to the gallon. We could achieve this for $935 in established technology, and the SUV owner would save thousands of dollars over the lifetime of the car.

Second, we need to raise CAFE standards for the sake of our national security. The United States imports more than half of its oil from foreign countries, and this dangerously limits our independence and potentially our options in times of turmoil. The dramatic rise in oil prices in recent months should be a reminder of how overly-dependent we are on OPEC, and how vulnerable we are to OPEC cartel pricing. We must raise our domestic fuel economy in order to reduce this dependence. According to the Sierra Club, raising CAFE standards would save more oil than we import from the Persian Gulf and off-shore California drilling combined.

Third, there are critical environmental gains to be made from improving the fuel economy of our vehicles. There have been a number of reports in recent weeks about the reality of global warming. A Federal Government study released earlier this week, requested by Congress four years ago, reports that global climate has become approximately one degree hotter over the past century, and many scientists believe that this warming trend will continue as humans continue to burn fossil fuels. This trend will cause very real and significant changes to our weather and climate patterns, fundamentally altering the way of life in some geographic areas. A recent study at NASA's Ames Research Center reported that the ozone layer is not recovering as fast as was previously thought, potentially due to greenhouse gas emissions. A report by Environment Canada and Parks Canada shows that some national park glaciers could disappear in 20 years due to global warming. These and other significant reports come on the heels of one another to warn us that global warming is real and that we need to pay serious attention to the problem.

The first, very important step we must take to curb greenhouse gas emissions is to reduce the amount of fossil fuels we consume in our vehicles. Improving the CAFE standards to 45 mpg for cars and 34 mpg for light trucks would save this country 3 million barrels of oil per day and prevent

hundreds of millions of tons of CO_2 from entering the atmosphere every year. Carbon dioxide is the major contributor to greenhouse gas emissions and to the subsequent warming of our climate. We must, I repeat we must, take this step and raise CAFE standards.

Since the 1980s, partly due to our nation's increasing use of light trucks, or Sports Utility Vehicles, the corporate average fuel economy of our fleet of vehicles has declined. According to EPA's 1999 Report on Fuel Economy Standards, there have been no improvements in fuel economy for light trucks in 19 years. This is particularly dismaying when we consider that over half the passenger vehicles sold in the U.S. now fit into the category of light trucks. We know we can do better and that the technology already exists. Using state of the art engine refinements; optimized transmission control; high strength, ''ultra-light'' steel techniques, and lower rolling resistance tires, auto manufacturers should be able to improve fuel economy drastically.

For all these reasons, we must move back toward improving the fuel economy of the vehicles in the United States. It saddens me that some of my colleagues would like to prevent this discussion from even taking place. The first step in the right direction is to uphold the Gorton/Feinstein/Bryan motion and oppose the freeze on CAFE standards. From there, we will be able to discuss appropriate measures to improve upon our vehicles, for so many reasons that make good sense.

Mr. SCHUMER. Mr. President, I rise to thank the distinguished Chairman of the Senate Appropriations Subcommittee on Transportation, Senator SHELBY, and Ranking Member, Senator LAUTENBERG, for their diligence and patience in moving this vital legislation forward. The difficulty of crafting such a comprehensive appropriations bill is considerable and they deserve congratulations. While I plan to vote for this bill, I would like to state my reservations about one particular provision—Section 335—which would preclude the Secretary of Transportation from expending any FY 2001 funds on the completion of a Federal rule pertaining to motor carrier ''Hours of Service.'' As my colleagues prepare for conference with their House counterparts, I hope they will recede to the House on this particular provision.

Mr. President, Secretary Slater recently wrote to the Appropriations Subcommittee stating his opposition to such a provision. The Secretary points out, rightly I think, that heavy trucks are a major source of accidents on our roadways. Driver fatigue often plays a major role in these accidents.

I feel that since the Department has not yet begun responding to comments on its ''Hours of Service'' Notice of Proposed Rulemaking, it is premature to terminate DOT's review. Highway Safety is one of Congress' foremost transportation priorities, as evinced by the recent creation of the Federal Motor Carrier Safety Administration.

Mr. President, it is because highway safety is so important that I ask my colleagues to drop this provision in conference. I have attached a copy of Secretary Slater's letter, and ask unanimous consent to have it printed in the RECORD.

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

THE SECRETARY OF TRANSPORTATION,
Washington, DC, June 8, 2000.

Hon. RICHARD C. SHELBY,
Chairman, Subcommittee on Transportation, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am advised that the Transportation Subcommittee may add a very damaging provision to the pending DOT Appropriations Bill, effectively barring the Federal Motor Carrier Safety Administration (FMCSA) from acting on comments from the public and affected industries on one of the most critical safety challenges we face—fatalities involving heavy trucks on our nation's highways and the need to update our ''Hours of Service'' rules for ensuring adequate rest for commercial drivers.

Heavy trucks are involved in almost 15 percent of all fatal highway crashes. I challenged the FMCSA last year to cut fatality levels in half by 2009. We cannot accomplish this without addressing the problem of operator error, and we know that fatigue is a critical factor in crashes. The 60-year-old rules for driver Hours of Service should be modernized. Also, new technology, such as on-board recorders may play a role in reducing the crash/fatality rates.

We have just proposed changes in a Notice of Proposed Rulemaking to change the Hours of Service rules. This proposal emphasizes rest and is science-based. We do not even have the benefit of full comment at this point, yet some are advocating that Congress intervene and prohibit analysis of the information and views we receive. This would be utterly contrary to the action Congress just took in December 1999 to set up the FMCSA as a free-standing safety regulatory agency.

We have heard from industry representatives about the pace of the rulemaking, and I am prepared to extend the comment period for 90 days to allow interested members of the public more time for in-depth analysis of the proposal's details and to clarify matters that have arisen since the proposal was issued May 2. However, I am not prepared to stop moving forward on an issue that has not been substantially addressed in 60 years and that promises so much in safety improvement. If the Subcommittee adds the amendment, it will signal an end to our efforts to address driver fatigue. I therefore strongly oppose the amendment.

Sincerely,

RODNEY E. SLATER.

Mr. REED. Mr. President, I rise in strong support of the motion to instruct conferees to reject the provision in the House version of the fiscal year 2001 Transportation Appropriations bill that freezes implementation of the Corporate Average Fuel Economy standards.

As my colleagues have stated, the House bill would, for the sixth year in a row, block the Department of Transportation from studying ways to improve CAFE standards for vehicles in the United States.

Mr. President, the National Highway Traffic Safety Administration's latest report to Congress states that cars sold in the United States in 1999 averaged 28.3 miles per gallon, down from 28.7 miles per gallon in 1998. Light trucks, which now make up about half of new passenger vehicles sold, averaged 20.7 miles per gallon, down from 20.9 in 1998.

What a shame that in an era of great technological innovation, all of the fuel economy gains from technological improvements over the last twelve years have been erased by the proliferation of larger, heavier, gas-guzzling vehicles.

As Transportation Secretary Rodney Slater said of the CAFE freeze in his June 8 letter to Chairman SHELBY, ''Because this prohibition has been in place in recent years, the Department has been unable to fully analyze this important issue. The average fuel economy of passenger cars and light trucks has decreased almost 7 percent since 1987. In fact, the average miles-per-gallon for 1999 was the lowest since 1980. CAFE is a significant policy issue that should be addressed analytically and not preemptively settled through the appropriations process.''

With fuel prices high and rising, it is especially critical that we improve CAFE standards. Lax fuel economy standards have allowed SUVs and other light trucks on the road today to be 30 percent less efficient than cars on average. This fuel economy gap caused Americans to spend $21.4 billion more for gasoline last year than if these trucks were as efficient as cars. SUV and light truck drivers in my state of Rhode Island paid an extra $55 million at the pump last year due to this gap in fuel efficiency standards.

Meanwhile, as overall fuel efficiency goes down, our nation continues to import over 55 percent of its crude oil, putting us at the mercy of the OPEC cartel. We owe it to the drivers in the Northeast who are paying over $1.70 for a gallon of gas, or those in the Midwest paying over $2.00 per gallon, to take a serious look at cutting our consumption of foreign oil by improving CAFE standards.

Nevertheless, the CAFE freeze rider has been inserted into the House DOT spending bill every year for the past 5 years, and each time that happens, Congress denies the American people the benefits of fuel-saving technologies that already exist, technologies that the auto industry could implement with no reduction in safety, power, or performance.

Shouldn't we at least give the Department of Transportation the chance to study this issue? Isn't it time to lift the gag order that has been placed on our ability to consider the costs and benefits of higher CAFE standards? I believe the answer is clearly yes.

I urge my colleagues to support this important motion.

Mrs. BOXER. Mr. President, the Fiscal Year 2001 Transportation Appropriations bill now before the Senate

contains, in my opinion, a very damaging and potentially dangerous provision. This provision would effectively bar the Federal Motor Carrier Safety Administration (FMCSA) from acting on comments from the public and other interested parties on the critical need to revise the so-called Hours of Service rules, which regulate, among other things, the number of continuous hours commercial drivers are permitted to be on the road.

Over 5,300 people are killed and 127,000 are injured each year as a result of truck-related crashes, and research shows that truck driver fatigue is a contributing factor in 30 to 40 percent of all truck-related fatalities. Moreover, the Department of Transportation (DOT) finds that fatigue is directly related to 15 percent of all fatalities involving heavy trucks.

There are both good and not-so-good parts to DOT's proposed changes to the Hours of Service rule. While I am very concerned that the proposed rule contemplates increasing the number of continuous driving hours from 10 to 12, it would also require the use of electronic on-board recorders for long haul and regional truckers, and it would require commercial drivers to follow the 24-hour circadian rhythm cycle as opposed to the currently permitted 18-hour cycle. This is important because all authoritative studies show that the human body best resets its ''clock'' when following the circadian rhythm cycle.

In response to requests from groups on all sides of this issue, DOT recently extended the comment period on the proposed rule by another 90 days. Nevertheless, language in the Transportation Appropriations bill would bring the entire rulemaking process to a halt.

Mr. President, not only is it wrong for this body to insert itself in this way in the preliminary stages of a proposed rulemaking process, I am concerned that that this provision will set highway safety initiatives back by decades. Only by keeping the rulemaking process alive can the existing 60-year-old Hours of Service rules ever be meaningfully reformed.

I understand that the House Transportation Appropriations bill contains no such provision, and it is my strong hope that this provision will be rejected in Conference Committee.

Mr. BYRD. Mr. President, I rise in support of the Fiscal Year 2001 Transportation Appropriations bill, and I compliment the Chairman of the Subcommittee, Senator SHELBY, and the Ranking Member, Senator LAUTENBERG, for the outstanding job that they have done on this measure.

Their recommendations, which were approved by a unanimous vote of the Appropriations Committee, are the best that could be done within the very tight 302(b) allocation that was provided to the Subcommittee. I am hopeful that we will be able to provide increased funding for the Transportation Subcommittee, as the bill proceeds through the Senate and its conference with the House. As is usual for the Transportation Subcommittee, the programs and activities contained in this bill are funded in as fair and balanced a way as one could expect. I am proud of the work of the managers of this bill. Very importantly, the bill continues to fully fund the highway spending levels set forth in the Transportation Equity Act for the Twenty-First Century, TEA–21. As members will recall, when that landmark legislation was debated and enacted two years ago, I joined with Senator GRAMM of Texas as well as Senators WARNER and BAUCUS, the Chairman and Ranking Member of the Subcommittee on Transportation and Infrastructure of the Environment and Public Works Committee, to provide some $26 billion in additional highway spending over the six-year life of that measure. In so doing, we put the ''trust'' back into the Highway Trust Fund. We assured the American people that the full amount of the gasoline taxes that they pay at the gas pump, and which go into the highway account of the Highway Trust Fund, will be spent on construction and rehabilitation of our Nation's highway and transit systems. Unfortunately, for the second year in a row, the Administration's budget proposed that a large portion of these Highway Trust Funds be used for non-highway purposes. Fortunately, the managers of this bill, Senators SHELBY and LAUTENBERG, found a way to reject the Administration's proposal and to continue, in full, the commitments made to the American people; namely, that all of the gasoline taxes that they pay will be fully spent, each year, for the purposes for which those taxes were collected. I am grateful to the managers of the bill for having the wisdom and the courage to reject the Administration's ill-conceived proposal for a second year in a row. I hope the Administration will get the message that this Congress is not interested in going back on the commitments it made and that the President signed into law in TEA–21, to keep the ''trust'' in the Highway Trust Fund.

Mr. President, I note that this will mark the last occasion upon which Senator LAUTENBERG will serve as the Ranking Member of the Transportation Appropriations Subcommittee. During his tenure as Chairman and Ranking Member of this Subcommittee, Senator LAUTENBERG has always been very cooperative with me in my role as Chairman and Ranking Member of the Appropriations Committee. He was no less cooperative when I served as Majority and Minority Leader of the Senate. He has demonstrated the courage to take a stand for what he believes in, throughout his Senate career, even when the votes were not there. He has performed a tremendous service to his State, as well as to his Country on many critical issues. He has worked tirelessly on a broad range of transportation issues throughout his service on the Appropriations Subcommittee on Transportation. These accomplishments range from improvements in Amtrak service, to ensuring that there are sufficient resources for the FAA, Coast Guard, mass transit and highway safety programs. When it comes to transportation issues, Senator LAUTENBERG has always been in the forefront. He has always fought valiantly to protect the lives of the American people. He was the author of the smoking ban on airplanes. He was the author of the Minimum Drinking Age Act. His tireless battle against drunk-driving, which began with that Act, has now brought us to this appropriations bill, which includes a provision establishing a national intoxication threshold of point-zero-eight (.08) blood alcohol content. The Senate will miss FRANK LAUTENBERG. We will remember him with great fondness.

The one disservice, however, that he performed for his Nation, and for the Senate, and for the Appropriations Committee, was his decision not to run again. I am sorry that he made that decision. I talked with him about the matter several times. I told him that it was simply not good for the Country. I don't say that because he is a Democrat—I say that because this man is a Senate man. This man has rendered great service. I greatly regret his decision—and I told him so, and I urged him to rethink it, because he renders the kind of service that our Country needs. I salute him for his Senate service. And, I say again, we are going to miss this man—FRANK LAUTENBERG.

Mr. President, I urge all Members to support the Fiscal Year 2001 Transportation Appropriations Bill now before the Senate.

Mr. MCCAIN. Mr. President, I wish to express my concerns over a provision included in this legislation that would effectively prevent the Department of Transportation (DOT) from continuing its work to fulfill a statutory directive to revise its regulations that limits the driving and duty time of truck and bus drivers.

The federal hours of service regulations were established in 1937. Yet, despite the vast technological advancements and dramatic changes in the motor carrier industry, those rules have remained largely unchanged after more than 60 years.

Due to the growing safety concerns stemming from truck driver fatigue and other factors, the National Transportation Safety Board has repeatedly called for the Department to develop new hours of service rules that reflect current research on truck and bus driver fatigue. Further, the ICC Termination Act of 1995 required the department to issue an Advanced Notice of Proposed Rulemaking (ANPRM) addressing motor carrier hours-of-service regulations by March 1996 and a final rule by March 1999.

Unfortunately, the Department failed to meet the time frames as required under the law. The ANPRM was not

issued until November 1996. It wasn't until April of this year that the Notice of Proposed rule was issued—a proposal not embraced by industry or safety advocates.

As Chairman of the Senate Committee on Commerce, Science, and Transportation, which has jurisdiction over most federal transportation policy, I believe it critical to allow and actually require the Department to continue its work to develop sound new rules governing motor carrier operators. I fully recognize the DOT's regulatory proposal is not acceptable in its current form. Moreover, the public needs sufficient time to analyze the proposal and the Department must clearly evaluate and understand its implications before a final rule can be issued. But the Appropriations Committee approach which prevents the DOT from doing anything in this area is simply wrong.

Section 335 of the Transportation Appropriations bill would prohibit DOT's Federal Motor Carrier Safety Administration (FMCSA) from using any funds to ''consider or adopt any proposed rule'' contained in the Notice of Proposed Rulemaking (NPRM) issued on April 24, 2000 or to ''consider or adopt'' any ''similar'' rule.

I will not and am not defending the DOT's regulatory proposal. But I do not think that preventing any further work in this area is sound judgement on our part. If the provision in this bill is allowed to stand in conference, it will effectively prevent any changes to the more than 60-year-old truck driver rules.

We must urge the DOT to move forward with reasoned regulations in lieu of the depression era regulations that today continue to dominate a technologically driven industry. The safety of the traveling public is at stake.

AMENDMENT NO. 3454

Mr. SHELBY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alabama [Mr. SHELBY] proposes an amendment numbered 3454:

At the appropriate place, insert:

SEC. . Hereafter, the New Jersey Transit commuter rail station to be located at the intersection of the Main/Bergen line and the Northeast Corridor line in the State of New Jersey shall be known and designated as the ''Frank R. Lautenberg Transfer Station''; *Provided*; That the Secretary of Transportation shall ensure that any and all applicable reference in law, map, regulation, documentation, and all appropriate signage shall make reference to the ''Frank R. Lautenberg Transfer Station''.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I will try to be really brief. My colleagues have said much about what Senator LAUTENBERG has contributed to the country, to the Senate, and his persistent advocacy on behalf of the State of New Jersey. I will not repeat all those things that have already been said about our distinguished colleague. What I would like to share with the Senate today is a more overlooked but important perspective in FRANK LAUTENBERG.

Senator LAUTENBERG is appropriately characterized as a Democrat. I am appropriately characterized as a Republican. You might think we would have a difficult time working together in managing the Transportation appropriations bill. Make no mistake, we have our differences, as we all do. But in the 4 years that I have shared the responsibility of managing this bill with Senator LAUTENBERG, holding hearings on Transportation appropriations issues, working to improve transportation safety, working to improve the efficiency of transportation programs, and working to develop recommendations that reflect the will of the Senate and the priorities of our colleagues, I have found FRANK LAUTENBERG to be thoughtful, decisive, reasonable, and professional. I could not ask for more from a ranking member.

I could talk about his accomplishments when he chaired this subcommittee in years past, his advocacy on behalf of Amtrak and the Coast Guard, about his legislative accomplishments to ban smoking on airline flights and to shape highway reauthorization bills, about his love of aviation, about his significant place in shaping Transportation authorization and appropriations bills during his tenure in the Senate, about his vision for improving transportation services, not just in his State of New Jersey but more broadly for the entire Northeast region of the United States.

But that would not give the full measure of his contribution. Equally, if not more important, is his commitment to making the process here work, to applying pressure in his own way to get the issues before the Senate and the Congress that are timely and that are relevant.

Many have said the Senate will miss Senator LAUTENBERG, that New Jersey will miss his influence, and that the country will miss his leadership on transportation issues. That is all true. But what I will miss most is his friendship, his advice and support on the Transportation Subcommittee on which he has labored so long.

I would like to see Senator LAUTENBERG honored in an appropriate way as he departs his service to the Senate and to the Nation's transportation system.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank the distinguished chairman for his very generous and appropriate gesture on behalf of Senator LAUTENBERG. Over the last months, I have had occasion to meet around the country with people who are concerned about transportation. To a person, they all voluntarily offer up the degree to which they are going to miss Senator LAUTENBERG who has been an extraordinary champion for public transportation and for aviation, as the chairman said.

Most important, speaking parochially for a moment, it is not easy to champion the rail system in a country that has been dominated by automobiles and our love affair with autos and highways. In all his years here, FRANK LAUTENBERG has been the single strongest advocate of making certain we have an alternative form of transportation.

In the Northeast particularly, we will have an accelerated rail link between New York and Boston and ultimately Washington that is due almost solely to his persistent annual guarantee that the funding is there.

That is an enormous legacy. We do not always get an opportunity in the Senate to have that kind of niche where your vision is singlehandedly implemented. Senator LAUTENBERG has done that with great commitment and great perseverance.

I thank him on behalf of everybody in New England who depends on that system to get to work, to travel, to meet their families, and to enjoy affordable opportunity to travel.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, I know our colleagues are waiting to vote. I will not take more than a moment. I add my voice and congratulate the Senator from Alabama for his amendment. This amendment will be adopted unanimously, as it should. It is in recognition not only of the great contribution Senator LAUTENBERG has made to this subcommittee and to transportation policy but to the country at large on policies that go way beyond transportation, whether it is tobacco or gun safety. Whether it is an array of issues foreign or domestic, Senator LAUTENBERG has provided an insightful voice, a courageous voice.

As Democratic leader, it has been an honor and high pleasure for me to have worked with him. I am proud to have had that opportunity. I congratulate him on his extraordinary service to his country.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I add my voice as well and compliment FRANK LAUTENBERG for his accomplishments. I commend him for his fine service in the Senate.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I ask unanimous consent that I be added as a cosponsor of this amendment.

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

Mr. SHELBY. I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to amendment No. 3454.

The amendment (No. 3454) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. SHELBY. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill (H.R. 4475), as amended, pass? The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from West Virginia (Mr. ROCKEFELLER) is necessarily absent.

The PRESIDING OFFICER (Mr. BUNNING). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 132 Leg.]

YEAS—99

Abraham	Enzi	Lott
Akaka	Feingold	Lugar
Allard	Feinstein	Mack
Ashcroft	Fitzgerald	McCain
Baucus	Frist	McConnell
Bayh	Gorton	Mikulski
Bennett	Graham	Moynihan
Biden	Gramm	Murkowski
Bingaman	Grams	Murray
Bond	Grassley	Nickles
Boxer	Gregg	Reed
Breaux	Hagel	Reid
Brownback	Harkin	Robb
Bryan	Hatch	Roberts
Bunning	Helms	Roth
Burns	Hollings	Santorum
Byrd	Hutchinson	Sarbanes
Campbell	Hutchison	Schumer
Chafee, L.	Inhofe	Sessions
Cleland	Inouye	Shelby
Cochran	Jeffords	Smith (NH)
Collins	Johnson	Smith (OR)
Conrad	Kennedy	Snowe
Coverdell	Kerrey	Specter
Craig	Kerry	Stevens
Crapo	Kohl	Thomas
Daschle	Kyl	Thompson
DeWine	Landrieu	Thurmond
Dodd	Lautenberg	Torricelli
Domenici	Leahy	Voinovich
Dorgan	Levin	Warner
Durbin	Lieberman	Wellstone
Edwards	Lincoln	Wyden

NOT VOTING—1

Rockefeller

The bill (H.R. 4475), as amended, was passed, as follows:

[The bill was not available for printing. It will appear in a future edition of the RECORD.]

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senate insists on its amendment and requests a conference with the House.

Under the previous order, the Senator from Washington, Mr. GORTON, is recognized.

MOTION TO INSTRUCT CONFEREES

Mr. GORTON. Mr. President, I send a motion to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] moves that the conferees on the part of the Senate on the disagreeing votes of the two Houses on the amendment of the Senate to the bill H.R. 4475 be instructed, and are hereby instructed, not to accept section 318 of the bill as passed by the House of Representatives.

The PRESIDING OFFICER. Who yields time?

Mr. GORTON. Mr. President, I yield myself such time as I may use.

Yesterday, both Senator BRYAN and I came to the floor to discuss this motion, the reasons for dealing with corporate average fuel economy standards in this fashion, and to give a preview as to our reasons for this vitally important motion.

Twenty-five years ago, in 1975, the Congress—an enlightened Congress, I may say—passed a certain set of requirements demanding that automobiles and small trucks on average from each manufacturer meet certain fuel efficiency standards; that is to say, that they get better gas mileage and, not at all incidentally, provide less pollution into the atmosphere of the United States.

That statute was passed, of course, in the aftermath of the oil boycott on the part of Arab countries and a steep rise in gasoline prices.

Though I am quite conservative and often critical of government regulation, I know of few, if any, regulatory regimes of the United States that were more successful. In a period of a little more than 5 years, the average fuel efficiency of automobiles in the United States for all practical purposes doubled. That proposal was passed, incidentally, over arguments that were not similar to the arguments that are made against this motion today but identical to the arguments made against this motion today.

We were told by the Ford Motor Company that the passage of such standards would mean everyone would be driving a Maverick or something smaller than a Maverick. Chrysler and General Motors followed suit. The people of the United States would not be able to buy the kinds of automobiles they were accustomed to driving and those that they were in fact driving at the present time.

Well, those predictions were so dramatically off kilter that the largest regular passenger cars manufactured today get better gas mileage than the Maverick about which they were speaking in the year 1975.

Curiously enough, however, in spite of this huge success, a success that literally saves 3 million gallons of gasoline a day in the United States, for at least the last 10 years, the House of Representatives, in its appropriation bill for the Department of Transportation, has prohibited not only the promulgation of new corporate average fuel economy standards but even their study and proposal on the part of the Department of Transportation.

The Senate, in each of those years, has been wiser. It has included no such prohibition. Regrettably, however, the Senate has without exception receded to the House position on this issue in each and every year of the last decade or two. As a consequence, the average fuel economy of our overall fleets has been decreasing rather than increasing.

Last year, the distinguished Senator from California, Mr. BRYAN from Nevada, and I introduced a sense-of-the-Senate resolution stating that we should not keep our heads in the sand any longer; We ought to allow these studies to go forward. We ended up with roughly 40 votes, a substantial and credible vote, but obviously not a majority vote of the Senate. What has happened during the course of the last year, Mr. President? Well, the most obvious occurrence has been a vast increase in the retail price of gasoline for each and every American consumer.

A year ago, we were at the end of roughly a year of abnormally low gasoline prices. The reaction earlier this year on the part of OPEC was to get that cartel together, cut back on production, and thus hugely drive up the price of gasoline. Our Secretary of Energy was sent, hat in hand, around the world to plead with OPEC countries to please produce more gasoline, please don't punish Americans by driving up retail gasoline prices so high. This is what we in the United States were reduced to—pleading with OPEC countries for a greater degree of production.

Well, they agreed to a little bit more. Prices dropped for a month or so, although nothing comparable to the increase that had preceded it. Now they are on the rise again. I believe it was Monday that the Washington Post indicated that retail prices for gasoline in the Midwest, where there are certain air pollution requirements, have gone up 30 to 50 cents a gallon in the course of 6 or 8 weeks. The same report indicated that we had 3 straight weeks of gasoline price increases all over the country, to the point where they are higher than ever before. Predictions are that they will hit $2 a gallon well before this year is over. Perhaps even more significant than this punishment of the American people with higher gasoline prices is the increased dependence the U.S. has on foreign sources of oil. Way more than 50 percent of our oil is produced overseas now, which, of course, subjects us to the effectiveness of the OPEC cartel.

That is the first thing that has taken place. The second thing is this: We were accused last year in the debate with mandating new corporate efficiency standards when we didn't know what they would be, and when they

would ignore completely the safety of automobiles that were produced and driven in the U.S. Curiously enough, that, too, was a major argument made 25 years ago: More people will be killed on the highways because we will be driving these tiny little Mavericks and subcompact automobiles.

But do you know what has happened? Death rates on our highways, per hundred million miles driven, have dropped by more than 50 percent. Why? Because the big three automobile manufacturers' technology and imagination is far more efficient than their lobbying and the points they make during the course of political campaigns. They have made automobiles safer both because there has been a demand and because there have been mandated requirements through the National Highway Traffic Safety Administration for airbags, side impact matters, and a wide range of other safety devices. It is far safer to drive with the cars that we have today, which are twice as fuel efficient as those in the mid-1970s, than it was before these standards were adopted.

Nevertheless, it is our view that safety is an appropriate consideration. So you have a different proposition before you this year than you had last year. All we are asking—so it is a very important request in this motion—is that the Senate not agree to a House prohibition that says you cannot study, propose, or promulgate new corporate average fuel-efficient standards for automobiles. To say that we can't study that in light of the technological changes in the last 20 years—it is incredible that anybody in the Senate would argue for such a proposition. No study? No proposal? No knowledge about what we are doing?

I will be one of the conferees that will be appointed as soon as this debate is over and this voice vote is taken. Mr. President, because the House, of course, will maintain its position, my view is that not only an appropriate compromise but an appropriate course of action will be to permit the Department of Transportation study and propose new corporate average fuel efficiency standards. I think they ought to be studied. I think they ought to be proposed. I think they ought to consider safety as well as fuel efficiency. But I do think it quite appropriate that they be brought back here to this body into the House of Representatives before they be promulgated. So I will accept as a compromise with the House a prohibition against promulgating new standards until next year's Transportation appropriations bill has been deliberated, passed, and signed, obviously by a new President of the United States.

We will not be running the risk of a runaway Federal agency by any stretch of the imagination. What risks will we be running? We will run the risk that we will vote on something we understand. We will run the risk that standards will be proposed that will increase the efficiency of our automobiles and lower the cost of gasoline for every American purchaser of a new car and help clean up our air—important considerations that are specific in nature and brought to us because they cannot be promulgated until we have had another chance to vote on them. I think it takes a great deal of imagination to say the United States of America, through its Department of Transportation, cannot engage in such a study and such a proposal.

The arguments you will get on the other side you already have in a Dear Colleague letter, one that says, gee, we made our cars more efficient in 1975, and now we drive more. I don't think that is a criticism. I think that is a praise of better gas mileage. Of course, oil consumption has increased in 25 years. We have more people. We have better roads. And we have better automobiles. It may very well be that will be the case, if we have even better gas mileage. But to say we ought to cause people to stop driving because gasoline is too expensive and we are not going to do anything about it is, at the very best, a bizarre argument.

The second is, of course, the very argument that there will no longer will be any choice—that cars will have to be so small that people won't be able to choose small trucks or SUVs. The Ford Motor Company has already told us it can greatly increase the fuel efficiency of SUVs. We know they can do this in the future, as they have in the past. I repeat that it is perfectly appropriate to say we will bring these standards back here to us with their actual impact before we actually pose them.

Finally, they argue that we are doing so well already with creating more efficient cars that we shouldn't undercut that kind of research going into a new generation of engine by having some kind of mandate. True. We have. In fact, I chaired another appropriations subcommittee, the Subcommittee on Interior, which finances the studies for a new generation of vehicles. I do so with great enthusiasm. But I also note that while these studies have gone on, the automobile manufacturers have done nothing to actually increase their average fuel economy on the road.

This proposal is not only not inconsistent with the studies that are going on with the cooperation of the Federal Government and the automobile manufacturers, but they are totally consistent with them. We are saying: Do a better job for Americans. Don't tell us that we will see future Secretaries of Energy every time the OPEC countries are moved to demand more money going hat in hand around the world. Use American technological genius to do the job that you did from 1975 until 1980. Produce a more efficient automobile. Don't make it less safe, make it more safe; the way you did then.

To use the old expression, if you fool me once, shame on you; fool me twice, shame on me. They attempted to fool our predecessors in 1975. They didn't succeed. They were wrong in every single argument they made in 1975. If we let them fool us twice with the same arguments, shame on us.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. Mr. President, I yield to the Senator from Missouri such time as he might require.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I thank the Senator from Michigan for yielding time to me to speak on a very important issue.

In the 1970s, Congress sought to regulate fuel economy for various vehicles in the United States, and recently, as a result of the continuation of that program, there has been an effort to continue to escalate the amount of fuel economy that is demanded from companies that produce automobiles. Since CAFE was enacted, we have had a weight reduction in cars of about 1,000 pounds per car. That is the way you get better fuel economy—carry less, and reduce the weight of the car in order to get better fuel economy.

I point out that there are some very serious consequences of reducing the weight of a car by a thousand pounds. I indicate that one of those serious consequences has been highlighted in USA Today in a major feature article from July 2 of last year, ''Death by the Gallon.''

A USA Today analysis of previously unpublished fatality statistics discovers that 46,000 people have died because of the 1970's-era push for greater fuel efficiency which has led to smaller cars—

Read, ''lighter cars.''

For a number of reasons, I think it is in our best interest not to force our auto manufacturers to produce lighter and lighter cars—46,000 people represents 46,000 families. I think we want to be a part of a voice that says don't make it riskier to drive on the highways.

There are a number of individuals who would say: This kind of statistical analysis isn't the right thing. They say fuel economy has gone up, and the number of fatalities on our highways has gone down. Therefore, it must be that cars are safer in spite of the fact that they are lighter. Very frankly, that is a pretty primitive sort of analysis, and it is misleading. It is not correct.

I have in my hand a letter addressed to me from the Harvard Center for Risk Analysis. I will ask unanimous consent it be printed in the RECORD. I would like to read from the letter. Here is what this letter says:

There are many powerful forces at work that have produced the overall decline in the traffic fatality rate: increasing rates of safety belt use, less drinking and driving, and a growing share of miles traveled on relatively safe Interstate highways, to name a few of those important forces.

Here is important language:

It would be easy for these favorable forces to mask or conceal any adverse safety effects

of CAFE in overall data. In fact, our national times series analyses published in 1989 (Journal of Law and Economics, vol. 32, April 1989, pp. 112–3) show that, once these favorable effects are controlled for in a national time-series model, the average weight of the vehicle fleet is significantly and NEGATIVELY associated with the fatality rate. In other words, more vehicle weight (less fuel economy) is associated with a smaller fatality rate.

In other words, more vehicle weight and less fuel economy is associated with a smaller fatality rate.

Conversely, the more weight you have in the vehicle, the lower your fatality rate, and the more weight you take out of the vehicle, the higher your fatality rate.

Those who have suggested that this 46,000 number is not a reliable number simply are simplistically interpreting the data.

When you control for factors such as the reduction in drunk driving, when you control for the factors such as airbags and seatbelts, when you control for factors such as the increased number of miles driven on interstate highways, we still have to live with the fact that 46,000 people have died because we have mandated that vehicles be made lighter and unsafe. It is clear that this is a tremendous human toll to pay.

Due to higher gasoline prices, there are those who would argue that if we suddenly have lighter vehicles, the fuel savings will remediate the problem that we have no energy policy in the United States. I think that is less than realistic.

We need an energy policy in the United States. We need to have the opportunity to develop our own energy resources. Trying to get a few more miles per gallon on the highway and lightening our vehicles even further, subjecting more people to the fate of the 46,000 who have already died, is not going to solve the problem we have energy-wise around the world. We will solve the problem when we decide that America will make a commitment to some of its own energy and energy independence.

I rise today to oppose this motion that instructs the conferees on the part of the Senate to fight the position expressed in the House of Representatives. The House of Representatives measure properly recognizes that to take additional weight out of vehicles as a result of a mandate for additional corporate average fuel economy is unwise.

The National Highway Traffic Safety Administration, the agency that administers CAFE, found increasing the average weight of each passenger car on the road by 100 pounds saves 300 lives annually. Rather than decreasing, we might be able to increase and save lives.

A number of studies have been conducted to determine the actual effect of CAFE standards on highway safety. The Competitive Enterprise Institute found that of the 21,000 car occupant deaths that occurred last year, between 26 and 4,500 in just 1 year were attributable to the Federal Government's new car fuel economy standards. That is not consequential; 4,500 is nearly 100 people per State on average who die in car accidents because Congress is mandating weight be taken out of cars.

I ask unanimous consent to have two letters printed in the RECORD on which I will now comment.

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

HARVARD CENTER FOR RISK ANALYSIS,
Boston, MA, June 13, 2000.

Senator JOHN ASHCROFT,
Committee on Commerce, Science and Transportation, U.S. Senate, Washington, DC.

CORRECTING MISINFORMATION ABOUT FUEL ECONOMY REGULATION AND SAFETY

DEAR SENATOR ASHCROFT: During the recent House discussions of Corporate Average Fuel Economy (CAFE) regulation, there was a widely distributed letter dated May 18, 2000 by the American Council for an Energy-Efficient Economy (ACEEE) and the Center for Auto Safety (CAS). I am concerned that this letter contains some misleading statements about an important issue: The potential adverse effects of fuel economy regulation on the safety of motorists. The purpose of my letter is to correct the misinformation and offer a different perspective. I have enclosed a copy of the ACEEE/CAS letter in case you have not seen it.

There are a variety of claims in the ACEEE letter about energy savings, jobs, and technology that I am in no position to evaluate. However, I have published the critical peer-review science on the CAFE-safety issue and thus am in a strong position to offer insight into the safety risks of the CAFE program. I have four specific concerns about the ACEE letter.

Concern #1. A chart accompanying the ACEEE letter shows that the U.S. traffic fatality rate has steadily declined form 1970 to 1998 (CAFE started in 1975), a period when motor vehicle fuel economy improved substantially. The inference drawn from the chart, that improved fuel economy did not compromise the safety of motorists, is misleading.

There are many powerful forces at work that have produced the overall decline in the traffic fatality rate: increasing rates of safety belt use, less drinking and driving, and a growing share of miles traveled on relatively safe Interstate highways, to name a few of those important forces. I would be easy for these favorable forces to mask or conceal any adverse safety effects of CAFE in overall data. In fact, our national times series analyses published in 1989 (Journal of Law and Economics, vol. 32, April 1989, pp. 112–3) show that, once these favorable effects are controlled for a national time-series model, the average weight of the vehicle fleet is significantly and negatively associated with the fatality rate. In other words, more vehicle weight (less fuel economy) is associated with a smaller fatality rate.

Another important factor that ACEEE does not mention (with regard to safety) is that the light truck fleet grew rapidly in the post-CAFE period (particularly post-1985), and these light trucks tend to be larger, heavier, and more crashworthy than the passenger cars they displaced in the market. Thus, one of the reasons for the declining traffic fatality rate from 1985 to the present was the growing size and weight of the light-duty vehicle fleet, which is increasingly dominated by light trucks (minivans, cargo vans, pick-up trucks and sport-utility vehicles). Although some of these light trucks have serious safety issues associated with them (e.g., rollover risk for certain smaller SUVs), there is no question that the size of these vehicles offers more crashworthiness for the occupant than does the average passenger car (even holding constant optional safety features).

Since CAFE regulation was applied only to new vehicles and was applied more stringently to new passenger cars than light trucks, we would not expect CAFE to have a noticeable effect on the fatality rate for all vehicles (old and new, light trucks and cars) on the road, the overall data presented by ACEEE. When direct comparisons were made of fatality and injury rates in new passenger cars downsized due to CAFE and old passenger cars unaffected by CAFE, it was clearly shown that the downsizing of cars increased the fatality and injury risks to the occupants of the downsized cars. These data were published by the Highway Loss Data Institute and the Insurance Institute for Highway Safety over ten years ago.

When Dr. Robert Crandall of Brookings and I analyzed fatality rates with and without CAFE regulation, controlling for other relevant safety variables, we estimated that CAFE regulation (from 1975 to 1985) was responsible for about half of the 1,000-pound decline in the average weight of new passenger cars, which resulted, once the entire car fleet was regulated, in 2,200 to 3,900 additional fatalities to motorists per year in the USA. To the best of my knowledge, these findings have never been disputed in the peer-reviewed scientific literature.

Concern #2: The ACEEE letter asserts that the growing sales of small cars in the 1975-1985 time period were attributable to recession, oil prices and other market factors rather then CAFE regulation.

Dr. Crandall and I addressed this question explicitly in our 1989 study. In our economic analysis of the car market, we found that the average new passenger car became about 1,000 pounds lighter during this period. About half of the weight reduction was due to market forces; the other half was due to CAFE regulation.

Concern #3: The ACEEE letter asserts that the Insurance Institute for Highway Safety (IIHS) has a history of ''shoddy analysis'' on the subject of CAFE and safety.

I feel compelled to come to the scientific defense of IIHS by simply noting that IIHS has a strong scientific reputation throughout the world and, although I sometimes disagree with their inferences, I have always found IIHS's scientific work—on this topic as well as on other safety topics—to be meticulous and analytically competent. I would urge you and your colleagues to give a fair hearing to the analyses prepared by IIHS.

Concern #4: The ACEEE letter suggests that automakers, in the future, can make light trucks more fuel efficient without reducing their size or weight through technological enhancements. This statement may be correct but it is misleading because the CAFE program does not require or encourage automakers to favor technological enhancements over downsizing and weight reduction.

Reducing the size and weight of a light truck generally reduces the cost of producing the vehicle. Making the kinds of engineering changes recommended by ACEEE will generally increase the cost of producing a light truck, a point that ACEEE acknowledges. The CAFE program is designed to let automakers choose how to comply with tighter CAFE requirements, and you can be sure that there will be ''bean counters'' in Detroit and Japan who would prefer to comply with tighter CAFE rules by reducing vehicle size and weight rather than adopting costly engineering changes.

The regulatory history of CAFE shows that automakers, when confronted with tough

CAFE rules, respond with a mix of downsizing, weight reduction, and engineering innovations. For example, from model year 1974 to 1990, a period of improving new car fuel economy, the average ''shadow'' (length times width) of a new car declined by 16% and the average weight of a new car declined by 20%. Engineering improvements such as front-wheel drive and computerized fuel injection systems also increased rapidly. Although automakers ''could'' have complied primarily or even exclusively with engineering improvements, there is nothing about the design or enforcement of the CAFE program that discouraged vehicle manufacturers from reducing vehicle size and weight as part of their compliance strategy. This compliance issue is discussed in more detail in my published critique of the ''Bryan bill'' of ten years ago (JD Graham, ''The Safety Risks of Proposed Fuel Economy Legislation,'' Risk: Issues in Health and Safety, vol. 3(2), Spring 1992, pp. 95–126.) If tougher CAFE rules are now applied to light trucks, there is no reason to believe that downsizing and weight reduction will be ignored by automakers (especially since they represent a cost-SAVING compliance strategy.

It should also be noted that the letter by ACEEE touts weight reduction (e.g., through lighter steel materials) as a compliance strategy without acknowledging the safety risks of lighter materials. For example, an SUV may be more likely to rollover if it is constructed with lighter materials, and the driver of a vehicle that crashes into a guardrail is generally safer with more vehicle mass than less vehicle mass (assuming the guardrail is somewhat flexible or penetrable). Heavier vehicles do pose more risk to other motorists in two-vehicle crashes but the government's studies have demonstrated that making small cars heavier will have seven times more safety benefit than making light trucks lighter (and hence less aggressive in two-vehicle crashes).

In summary, any discussion of tighter CAFE standards should include a serious, careful evaluation of the potential safety risks. Although safety risks are important, they should not dictate the final policy choice since they need to be weighted against the benefits of enhanced fuel economy, some of them cited in the ACEEE letter.

Senator Ashcroft, I certainly hope that these thoughts are helpful. If you should use any of these comments in the policy debate, be careful to attribute the comments to me personally rather than to my Center or University. Please do not hesitate to contact me if you or your staff should have any questions or desire any additional information. You may also be interested to know that we have a working group at my Center looking into these issues, exploring new policy approaches that may save both energy and lives. We will certainly keep you in touch as we make progress on this complex regulatory issue.

Sincerely,

JOHN D. GRAHAM, Ph.D.,
Professor and Director.

INSURANCE INSTITUTE FOR HIGHWAY SAFETY,
Arlington, VA, August 27, 1999.

Hon. JOHN ASHCROFT,
U.S. Senate,
Washington, DC.

DEAR SENATOR ASHCROFT: This is in response to your letter of August 20 requesting information from the Institute about relationships between Corporate Average Fuel Economy (CAFE) standards and vehicle safety.

Although the relationships between CAFE standards and vehicle safety are difficult to quantify precisely, there is no question that the two are related because smaller/lighter vehicles have much higher occupant fatality rates than larger/heavier vehicles. But the safer larger/heavier vehicles consume more fuel, so the more ''safer'' vehicles a manufacturer sells the more difficult it becomes to meet the CAFE standards.

Institute analyses of occupant fatality rates in 1990–95 model passenger vehicles show that cars weighing less than 2,500 pounds had 214 deaths per million registered vehicles per year, almost double the rate of 111 deaths per million for cars weighing 4,000 pounds or more. Among utility vehicles the differences are even more pronounced: Those weighing less than 2,500 pounds had an occupant death rate of 330, more than three times the rate of 101 for utility vehicles weighing 4,000 pounds or more.

It is important to recognize that these differences are due to factors in addition to the greater risks to occupants of lighter vehicles in collisions with heavier ones. Even in single-vehicle crashes, which account for about half of all passenger vehicle occupant deaths, people in lighter vehicles are at greater risk. The occupant death rate in single-vehicle crashes of cars weighing less than 2,500 pounds was 83, almost double the rate of 44 for cars weighing 4,000 pounds or more. In the lightest utility vehicles the occupant death rate was 199, again more than three times the rate of 65 for utility vehicles weighing 4,000 pounds or more.

The key question concerning the influence of CAFE standards on occupant safety is the extent to which these standards distort the marketplace by promoting additional sales of lighter, more fuel efficient vehicles that would not occur if CAFE constraints weren't in effect. Because CAFE standards are set for a manufacturer's fleet sales, it seems likely that raising these requirements for cars and/or light trucks would encourage a full-line manufacturer to further subsidize the sale of its smaller/lighter vehicles that have higher fuel economy ratings. This would help meet the new requirements while continuing to meet the marketplace demand for the manufacturer's much more profitable larger/heavier vehicles. Obviously the potential purchasers of the larger/heavier vehicles are unlikely to be influenced to purchase subsidized small/light vehicles, but at the lower ends of the vehicle size/weight spectrum these subsidies likely would produce a shift in sales towards the lightest and least safe vehicles. The net result would be more occupant deaths than would have occurred if the market were not distorted by CAFE standards.

Sincerely,

BRIAN O'NEILL,
President.

Mr. ASHCROFT. The 1989 Harvard University/Brookings Institution study determined that the current CAFE standard of 27.5 miles per gallon is responsible for between a 14 and 27 percent increase in the annual traffic deaths, since the new car fleet must be downsized in order to meet stricter standards.

Further, the 1992 National Academy of Sciences study concluded that the downsizing of automobiles due to fuel economy requirements has a direct impact on passenger safety. The study found ''safety and fuel economy are linked because one of the most direct methods manufacturers can use to improve fuel economy is to reduce vehicle size and weight.''

Stunning advances are being made to improve safety in other respects. To give away those advances by imposing lighter and lighter vehicles raises very, very, very serious and troubling questions.

The most troubling conclusion from the study that was conducted by the National Academy of Sciences: ''it may be inevitable that significant increases in fuel economy can occur only with some negative safety consequences.'' The National Academy of Sciences study also said, ''the CAFE approach to achieving automotive fuel economy has defects that are sufficiently grievous to warrant careful reconsideration of the approach.''

The National Academy of Sciences says careful reconsideration of this entire approach ought to be undertaken. If the National Academy of Sciences is suggesting we need to carefully reconsider this approach, I am not sure we ought to be in the business of extending the approach or enlarging that approach. These standards are killing people, yet there are those who want to make the standards even tougher, even more deadly.

Based on experience and the research, increasing CAFE standards to 40 miles per gallon, which is less than the proposal supported by the President and the Vice President, would cause up to about 57,00 deaths a year. At some point, I hope we will get the attention of policymakers and ask ourselves if we really want to sacrifice, on this altar of fuel economy, that many lives a year.

Of course, that is included in this special USA Today report. Mr. President, 46,000 people is equivalent to an entire town, such as Joplin, MO, in my home State. The deaths of 46,000 people would wipe out the entire town of Blue Springs, MO, or all of JOHNSON and Christian Counties in Missouri.

The average gas mileage for passenger vehicles in 1975 was 14 miles per gallon; today it is 20 miles per gallon. That averages 7,700 lost lives for every gallon of increased fuel efficiency. I am not sure 46,000 lives are worth it for improved fuel efficiency.

There are a number of alternatives to lightening vehicles for fuel efficiency. Some of the alternatives are in the process of being developed in the capitals of the automotive industry, whether in Detroit or other sections around the country. They relate to fuel cells. They relate to combination strategies. They relate to large flywheels that capture the momentum of a car as it stops, and as that momentum is captured in the flywheel it is regained as the car is started again. There are many things that are being done.

Some in the automotive industry say if we mandate additional fuel economy standards immediately, the research resources which are supporting the development of these new technologies will have to be shifted back over into weight reduction techniques immediately to meet demands. So instead of moving toward long-term changes in efficiency, we get to the short run,

which loses more lives and impairs our ability to develop the kind of fuel cell technology, the kind of combined energy technologies that result in safer and more efficient cars.

I asked the Insurance Institute for Highway Safety for an opinion on raising CAFE standards and the impact on highway safety. The Institute said: Even in single vehicle crashes, which account for about half of all passenger vehicle occupant deaths, people in lighter vehicles are at greater risk. The letter stated: The more safer vehicles the manufacturer sells, the more difficult it becomes to meet CAFE standards.

The idea of elevated CAFE requirements is at war with the idea of safe occupancy in the automobile. The simple idea or notion that says fatalities have been going down while weight has been going down in cars, therefore it must be safer to be in lighter cars, is a simple notion, but it is an incorrect notion. It ignores the other factors. It ignores factors such as seatbelt use, airbag deployment, divided highways, the kinds of things highway design has done to elevate safety standards.

I make one thing very clear: I am in favor of promoting cleaner air. I believe we must be responsible environmentally. However, there is a level at which we ought to consider the risk to human lives. The reason we want clean air is that dirty air impairs the health and well-being of human beings. So the reasons we are pursuing are the same. We want to save people who might be included in these gruesome statistics of 46,000 people dying. While I want to have cleaner air, I don't think it is necessarily done by putting people on the altar of lighter vehicles and having them lose their lives when we can find other ways of achieving that.

Consumers are not choosing smaller cars. They look at convenience. They look at safety. They look at where their children are going to be riding, and how they will get there. They are buying larger cars. Safety is one of the three main reasons people purchase SUVs. Small cars are only 18 percent of all vehicles on the road, but they account for 37 percent of vehicle deaths. You have to think about that for a moment. That is a startling statistic. Small cars are only 18 percent of the vehicles on the road. Yet they account for 37 percent of the vehicle deaths—or that was the figure in 1997. I doubt if the data has significantly changed.

Some people argue that the reason the small cars are troublesome is because they get into wrecks with bigger cars; they are getting into accidents with SUVs. Frankly, the facts do not support that claim. Based on figures from the National Highway Traffic Safety Board, only 1 percent of all small car deaths involved collisions with mid-size or large SUVs—1 percent. One percent of their accidents, yet their fatality rate is 37 percent; in spite of the fact they are only 18 percent of the cars on the road, 37 percent of all the traffic deaths.

Car-buying experts have said that only 7 percent of new vehicle shoppers say they will consider buying a small car. According to this source, 82 percent who have purchased small cars say they will not buy another.

Safety-conscious consumers—certainly my constituents in Missouri—understand the need for safety and are buying larger vehicles. But now Washington wants to tell residents in my State what kind of car they can buy. Washington wants to increase the level of risk, basically, that will attend driving those cars. The lighter the car, according to the National Academy of Sciences and the National Highway Traffic Safety Board, the higher the risk.

We fight drunk driving. We mandate seatbelt use. We require manufacturers to install airbags. Yet today we are being asked to tell the House we will not accept their policy of providing for Americans the opportunity of choosing cars that are heavy enough to be safer. We want to mandate, somehow, that we take additional pounds out of cars.

I was stunned by the data developed by our own agencies that said if you add 100 pounds, you save 300 lives. I suppose it is not scientifically correct to say if you took 100 pounds out, you would lose 300 lives—maybe you would. You might lose more. I would hate to be the person who had to make up the list of the 300 names, or of the thousand names, or however many names there are, of the lives that would be lost because we refused to adopt an approach which says: We have gone far enough with the Federal mandates on weight reduction and fuel economy. We should allow what is already happening in the automotive industry, a tremendous surge of research and technology, much of it spurred by our own incentives and initiatives, to develop alternative technologies which can provide for the transportation needs that we have with greater efficiency, without putting so many people at risk.

I urge my colleagues to reject this motion, the motion which would instruct the conferees not to accept section 318 of the bill as passed by the House of Representatives.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. I yield such time to the distinguished senior Senator from California as she may use.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Mr. President, it is a pleasure for me to join the Senator from Washington in this debate. I have just listened to the comments of the distinguished Senator from Missouri. I must say I profoundly differ with them. But let's for a moment say the Senator is correct. Then what is the fear of doing a study to take a look at the safety implications of SUVs and light trucks in single and multicar accidents? If the other side is so sure they are correct, they have nothing to worry about from a study being done. So why the gag order that prevents the Government from looking at this?

I submit to you, Mr. President, in direct debate with the Senator, that as fuel economy standards have gone up, fatality rates per million miles traveled have actually decreased. That decrease is rather large. I wish I had a big chart, but you can kind of see it here. These are the fuel economy on-road miles per gallon going up, and here are the fatality rates to the year 2000 actually going down.

Second, Ford Motor Company, by 2003, will have on the market a hybrid SUV which will get 40 miles per gallon. And Ford says that its 2003 version of its Escape sports utility vehicle will get twice that of other small SUVs, four times that of big ones. This comes from technology, from a hybrid powerplant, a small gasoline engine coupled to an electric motor. This SUV will get 40 miles to the gallon. Let me read a statement by the National Highway Traffic Safety Board:

> Collisions between cars and light trucks account for more than one half of all fatalities in crashes between light duty vehicles. More than 60 percent of all fatalities in light vehicle side impacts occur when the striking vehicle is a light truck. SUVs are nearly three times as likely to kill drivers of other vehicles during collisions than are cars.

According to a study by the National Crash Analysis Center, an organization funded by both the Government and the auto industry:

> Occupants of a SUV are just as likely as occupants of a car to die, once the vehicle is involved in an accident.

The explanation, of course, is that SUVs have high rollover rates; 62 percent of SUV deaths are in rollover accidents, but only 22 percent of car deaths are in rollover accidents. So you cannot say that the SUV/light truck is a safe vehicle, even as a heavier vehicle. The statistics do not support it.

Let me also say that Ford Motor Company itself, which depends on SUVs for much of its profit, has acknowledged that they cause serious safety and environmental problems. Let me quote from the New York Times:

> In its first corporate citizenship report issued at the company's annual shareholders' meeting here, Ford said that the vehicles contributed more than cars to global warming, emitted more smog-causing pollution, and endangered other motorists. The auto maker said that it would keep building them because they provide needed profit, but would seek technological solutions to the problems and look for alternatives to big vehicles.

So here is a major American manufacturer admitting that SUVs are not safer.

Let me finally, on this point, quote a GAO report:

> The unprecedented increase in the proportion of light cars on the road that occurred between 1976 and 1978, and 1986 and 1988, did not have the dire consequences for safety that would be expected if fatality rates were simply a function of car weight. Not only did the total fatality rate decrease, but the fatality rate for small cars, those at the greatest risk, if it is assumed that heavier cars

are inherently safer than lighter cars, also declined sharply.

So why be afraid of the study? If those who say safety is a problem are so sure, let's take a good look at it. Let's have unbiased sources take a look at it.

The reason I feel so strongly is because I do believe that global warming is a real and vital phenomenon; that it is taking place all across the land, and that the largest single thing we can do to reduce global warming is to reduce the emission of carbon dioxide.

By putting the same fuel efficiency standards on SUVs and light trucks as are on sedans, we essentially remove 240 million tons of carbon dioxide each year from the atmosphere.

This year's House Transportation appropriations bill once again contains the provision which prevents this issue from even being considered. This is the seventh consecutive year this gag order has appeared. Why are they so afraid of a study?

If you add to what the Senator from Washington said—and I think he is absolutely correct—that we are witnessing a new phenomenon this year in increasing gasoline prices which have exacerbated our Nation's dependence on OPEC and foreign oil, this policy does not make sense from another viewpoint. It costs the consumer more. Frankly, I am surprised there is this resistance. Since last year's debate, gasoline prices reached $2 per gallon in many parts of my State, and they are approaching $2.50 through much of the Midwest. This should harden our resolve to take a look at the situation.

Today, the United States, with only 4 percent of the world's population, consumes 25 percent of the world's energy. Our CO2 emissions from vehicles alone exceed the total CO2 emissions of carbon dioxide from all but three other countries in the world today.

My State of California is the third largest consumer of gasoline in the world, behind only the United States and Japan and ahead of virtually every other country. So California has a huge stake in this. We use more gasoline than China, Germany, and Russia. The situation is made worse by this loophole. SUVs and light trucks, which are as much passenger vehicles as station wagons and sedans, are only required today to have 20.7 miles per gallon per fleet versus 27.5 miles per gallon for automobiles.

I am an SUV owner. I own three Jeeps. I love my Jeeps, but I do not see why they should not be just as fuel efficient as the sedan we also drive. At today's prices, light truck and SUV owners are spending an additional $25 billion a year at the pump because of this loophole. If SUVs simply achieve the same fuel economy standards as automobiles, consumers would save hundreds of dollars a year and thousands of dollars over the life of a vehicle.

As this chart shows, the typical SUV burns about 861 gallons of fuel each year. The average gasoline price, if it is at $1.50 cents a gallon, costs consumers $1,290 a year. At $2, the cost increases to more than $1,700.

If we simply close this SUV loophole and require these vehicles to meet the same standards as automobiles, SUVs would burn 213 fewer gallons of gasoline a year. That is a savings of 1 million barrels of oil a year, and it is a savings of 240 million tons of carbon dioxide going into the air. It is also a savings for the consumer of $318 each year. At $2, the savings is $420 a year. The real clincher is the pollution argument, and that is, the savings of 240 million tons of CO2 from going into the air and creating a greenhouse effect that warms the Earth.

We also know that raising CAFE standards is the quickest and most single effective step we can take in this direction. I happen to believe global warming is real. I took a day and went to the Scripts Institute of Oceanography in San Diego and had a briefing. What I heard there doubly convinced me it is a real phenomenon.

The weather is getting hotter, and the ten hottest years on record have all occurred since 1986; 1980 to 1999 was the hottest 20-year period ever recorded, and 1998 was the hottest year in recorded history. Yesterday the temperature in San Francisco, a usually very cold city, was 104 degrees.

The Earth's average temperature has risen 1.3 degrees in the last 100 years, and computer models predict an increase of 2 to 6 degrees over the next century. Because of our temperate climate, the increase in the United States will be on the high end of that figure; meaning we will gain about 6 degrees in temperature over the next century.

What does that mean? That means warmer weather in my State will make water even more scarce. It means it will destroy certain agricultural crops. It means it will lead to more frequent and intense Sierra forest fires and serious flooding at certain times of the year.

In normal winters, our water gets stored in snowpacks until the spring when it is needed for drinking and farming, but warmer winters would cause significant amounts of winter precipitation to change from snow to rain, becoming runoff or, worse, floods into low-lying flood-prone areas, such as Sacramento. Drought conditions will worsen in the southern and central valley parts of my State, destroying water-dependent crops, such as rice, cotton, and alfalfa.

According to the Intergovernmental Panel on Climate Change, sea levels could rise 2 feet over the next century, further flooding low-lying areas, and greatly increasing the penetration of salt water into the California delta, the source of drinking water for 22 million people.

That is why I am concerned. It is a legitimate reason to be concerned and it is doubly legitimate if you know something that is doable and can be done with no adverse impact, is, in fact, being done by some manufacturers and foreign manufacturers, and this Congress will not even take a look at what effect it would have on pollution, what effect it would have on safety. It is an ostrich syndrome par excellence.

Mr. President, 117 million Americans live in areas where smog makes the air unsafe to breathe. Asthma of children is on the uptake, and roughly half of this air pollution is caused by cars and trucks.

If we increase fuel efficiency, we consume less gasoline. This decreases smog and air pollutants. Given all these facts, I cannot figure out why anyone would not want to at least study whether CAFE standards should be updated. For 7 years there has been a gag order: Do not even take a look; both sides are certain. Senators GORTON, BRYAN, and myself on one side; Senators ABRAHAM, LEVIN, and ASHCROFT on another. Let's settle it. Let's take a look. Let's have an independent study. Let's see who is right. It does not bother me to do that. I do not understand why it bothers anyone else.

Half of all new vehicles sold in this country are SUVs and light duty trucks, and this is what makes this so compelling. This becomes then a stranglehold on energy efficiency, and it has produced an American fleet with the worst fuel efficiency since 1980. We are going backwards because of it. We are polluting the air more because of it. We are contributing to global warming more because of it.

The United States saves 3 million barrels of oil each day because of the current fuel efficiency standards. Closing the SUV loophole adds 1 million additional barrels. That is a total savings of 4 million barrels of oil each day.

Last year, opponents of our amendment argued that boosting CAFE standards would lead to increased traffic fatalities, layoffs, and higher sticker prices. If our opponents again are so sure of their arguments, what is the harm of allowing the Department of Transportation to study the costs and benefits of higher CAFE standards?

Last year, I listened to some of my colleagues cite their concerns again about traffic safety. Based on what we heard today, I believe it is naive to think that bigger cars are simply safer.

I was going to buy a bigger car not too long ago. I watched the crash tests. I saw this expensive, heavy sedan crumple up like an accordion. I decided not to buy it; it was not safer.

The New York Times recently reported on tests conducted by the National Highway Transportation Safety Administration to demonstrate the propensity of SUVs to roll over. Here is a particularly poignant quote from the article:

> Because it is taller, heavier and more rigid than a car, an SUV or pickup is more than twice as likely to kill the driver of the other vehicle in a collision. Yet partly because these so-called light trucks roll over so often, their occupants have roughly the same chance of dying in a crash.

So not only is an SUV driver more apt to kill someone else, but that same driver is not any safer. I think this should be disturbing to anyone who gets into any moving vehicle.

With regard to job losses in the domestic auto industry, opponents of our amendment fail to offer any empirical evidence. A recent study by the nonpartisan American Council for an Energy Efficient Economy concludes that the consumer savings at the pump would actually translate to a net increase of 244,000 jobs nationwide, with 47,000 of these new jobs occurring in the auto industry. Let me repeat: The projections are, it will not mean a loss of jobs; it will mean a gain of jobs. And that gain of jobs has translated into a net increase of 244,000 jobs nationwide and 47,000 in the auto industry.

I remember when automakers told us they could not make cars safer; they could not meet the original CAFE standards; they could not add seatbelts or catalytic converters; But they did. They said regulations and mandates would drive them out of business, but they did not.

These same arguments have been recycled for decades.

In 1974, a representative for Ford Motor Company testified in front of Congress that the implementation of CAFE standards would lead to a fleet of nothing but sub-Pinto-sized automobiles. Of course, that did not happen. Our Nation's fleet of vehicles are as diverse as ever and probably more diverse. The largest sedans and station wagons today get far better fuel economy than the 1974 Pinto. It is really a tribute both to the industry and to that industry's ingenuity. It is also a tribute to the CAFE or fuel efficiency program.

One of the reasons that, for a while, the American automobile manufacturers lost their cutting edge in the 1970s was their reluctance to do the research and development necessary to build innovative new vehicles. But I am very proud to say that today's car companies are far more efficient and innovative and have the technology to increase the fuel economy of light duty trucks and SUVs to much higher levels than achieved by today's automobiles.

I am disappointed that the automotive companies continue lobbying for this gag order. To me, it is like pushing things back into the 1970s, where the Japanese made all the advances, and the American industry refused to change its models, to move with the times, to put in the research and development that is necessary to build a better automobile. I thought those days were behind us.

What do we have to lose by allowing the Department of Transportation to simply do their job and determine whether it makes sense to increase CAFE standards?

Let me just touch on a couple of the safety fallacies.

Again, in fact, vehicle fatality rates have been cut in half since CAFE standards were introduced. I pointed that out in the beginning. Only by stretches of fallacious logic do opponents contrive higher death rates to the CAFE standards.

Let me give you some of these fallacies:

First, the CAFE standards imply smaller vehicles.

The answer: Higher CAFE is achieved by technology improvement, not by downsizing.

Secondly, that lighter vehicles imply higher fatalities.

The answer: Crashworthiness is determined not by size or weight but by design. Today's compacts are safer than large cars of 20 years ago.

And finally, unbalanced risk assessment.

The answer: Studies based on harm to small-car occupants neglect the risks that larger vehicles impose or inflict on others.

So I am hopeful that because of the increase in fuel prices, because of the added cost to the consumer by the gag order, by the fact that every consumer, if this were to come to pass, would save $318, with an average cost of $1.50, and $504 with a higher cost a year, we can clearly make a showing that a study is necessary at this time.

I thank the Chair and also the Senator from Washington.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, the opponents are absent for the time being, discussing what is at least a possible settlement of this matter. As a consequence, I suggest the absence of a quorum and ask unanimous consent the time be charged equally to both sides.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. SMITH of Oregon). Without objection, it is so ordered.

Mr. ABRAHAM. Mr. President, I yield myself as much time as I might need.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. Mr. President, we are obviously in the midst of an ongoing discussion that has been held on a number of occasions here over the issue of CAFE standards and this motion, obviously, to instruct the Senate conferees to either modify or strike the moratorium on CAFE standards in the House bill.

I rise to speak in opposition to this motion to instruct.

Let me begin, first, by outlining the case against raising corporate fuel economy standards, or CAFE. Then what I would like to discuss is what would actually happen as a matter of law if the CAFE freeze were lifted.

First, increased CAFE requirements would cost American auto workers their jobs.

They put American automobile manufacturers at a competitive disadvantage vis-a-vis foreign manufacturers. Let me explain what I mean by this.

The Federal Government currently mandates that auto manufacturers maintain an average fuel economy of 27.5 miles per gallon for cars and 20.7 miles per gallon for minivans, sport utility vehicles, and light trucks. To meet increased CAFE requirements, automakers must make design and material changes to their vehicles. Those changes cost money. They force American manufacturers to build cars that are smaller, less powerful, less popular to consumers, and, as I will indicate in a moment and as several of the preceding speakers have noted, less safe.

In 1992, the National Academy of Sciences found that raising CAFE requirements to 35 miles per gallon would increase the average vehicle's cost by about $2,500. Japanese automakers have escaped these costs because sky high gasoline prices in their home markets forced them to make smaller, lighter cars years ago. Increased CAFE requirements will continue to favor Japanese automakers, and that means they will continue to place an uneven burden on American automobile workers.

The American auto industry accounts for one in seven U.S. jobs. Steel, transportation, electronics, literally dozens of industries employing thousands upon thousands of Americans depend on the health of our auto industry. It is not just people in Michigan or people in Ohio; it is people across our Nation whose livelihoods are linked to the success of the American automobile manufacturing industry.

In their letter of June 7, the United Auto Workers wrote:

> * * * further increases in CAFE could lead to the loss of thousands of jobs at automotive plants across this country that are associated with the production of SUVs, light trucks and full size automobiles.

In a June 9 letter, the International Brotherhood of Teamsters writes: The CAFE program has not helped manufacturers reduce U.S. consumption of gasoline.

> Instead, it has created competitive disadvantages for the very companies that provide job opportunities for millions of Americans.

I ask unanimous consent the full text of these letters be printed in the RECORD.

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

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA—UAW,

Washington, DC, June 7, 2000.

DEAR SENATOR: When the Senate considers the FY 2001 Transportation Appropriations bill, we understand that amendments may be offered, including the Gorton-Feinstein-Bryan clean car resolution, to eliminate or

modify the current moratorium on increases in the fuel economy standards for autos and trucks (commonly known as CAFE, the Corporate Average Fuel Economy standards). The UAW strongly opposes such amendments and urges you to vote against them.

The UAW supported the CAFE standards when they were originally enacted. We believe these standards have helped to improve the fuel economy achieved by motor vehicles (which has doubled since 1974). This improvement in fuel economy has saved money for consumers and reduced oil consumption by our nation.

However, for a number of reasons the UAW believes it would be unwise to increase the fuel economy standards at this time. First, any increase in the CAFE standard for sport utility vehicles (SUVs) and light trucks would have a disproportionately negative impact on the Big Three automakers because their fleets contain a much higher percentage of these vehicles than other manufacturers. Second, any increases in CAFE standards for cars or trucks would also discriminate against full line producers like the Big Three automakers because their fleets contain a higher percentage of full size automobiles and larger SUVs and light trucks. The current fuel economy standards are based on a flat miles per gallon number, rather than a percentage increase formula, and are therefore more difficult to achieve for full line producers. Taking these two factors together, the net result is that further increases in CAFE could lead to the loss of thousands of jobs at automotive plants across this country that are associated with the production of SUVs, light trucks and full size automobiles.

The UAW believes that additional gains in fuel economy can and should be achieved through the cooperative research and development programs currently being undertaken by the U.S. government and the Big Three automakers in the ''Partnership for a New Generation of Vehicles'' (PNGV). This approach can help to produce the breakthrough technologies that will achieve significant advances in fuel economy, without the adverse jobs impact that could be created by further increases in CAFE standards. PNGV is working. This spring, PNGV achieved one of its major goals with the introduction of a supercar concept by each of the Big Three automakers.

Accordingly, the UAW urges you to oppose any amendments that seek to eliminate or modify the current freeze on increases in motor vehicle fuel economy standards. Thank you for considering our views on this important issue.

Sincerely,

ALAN REUTHER,
Legislative Director.

INTERNATIONAL BROTHERHOOD OF TEAMSTERS—AFL–CIO
Washington, DC, June 9, 2000.

DEAR SENATOR: The United States Senate may soon be asked to vote on a provision that currently prevents the Department of Transportation from increasing the Corporate Average Fuel Economy (CAFE) standards for passenger cars and light trucks. Opponents of this provision argue that higher standards will benefit consumers and help the U.S. reduce oil imports and gasoline consumption. We disagree, and urge you to vote against any amendments to eliminate or modify the current moratorium on these standards.

Many observers feel CAFE is a case of good intentions gone awry. The law's original purpose was to improve automotive fuel economy, and in so doing, cut our nation's dependence on foreign oil. Unfortunately, although fuel economy for cars and trucks has risen substantially over the past 25 years, our reliance on imported oil has not declined. In fact, our nation's dependence on imported oil has risen to more than 55 percent today from 35 percent in 1975 when the law was passed. By any measure, CAFE has not delivered the benefits it promised.

Even worse, CAFE produces serious side effects when it comes to American jobs. Rather than creating a level playing field for all manufacturers, the CAFE system has actually worked against U.S. manufacturers and autoworkers. The law gives small car manufacturers a competitive advantage. Of course, these manufacturers are primarily foreign-based, and they import many of the cars and light trucks that they sell. In addition, this situation has provided an incentive for the Asian automakers to enter the mid-size and large car market segments at the expense of the traditional U.S. auto companies.

Domestic autoworkers need to be able to build the larger cars and trucks American consumers want. Today, American consumers are demanding the safety and utility of trucks, including vans, mini-vans, sport utility vehicles and pick-ups—a market in which U.S.-based manufacturers and autoworkers produce eight out of ten vehicles. Increases in light truck CAFE standards would erode the dominant position of U.S. manufacturers and autoworkers in this market segment. It would also adversely affect the jobs of Teamsters, who transport materials, components and finished vehicles across the country.

Increasing vehicle fuel economy is a laudable goal. But the CAFE program has not helped manufacturers achieve that objective, and it has not reduced U.S. consumption of gasoline. Instead, it has created competitive disadvantages for the very companies that provide job opportunities for millions of Americans. Consequently, we respectfully urge you to oppose any amendment to strike or modify the current moratorium on increasing CAFE standards for light trucks.

Sincerely,

MICHAEL E. MATHIS,
Director, Government Affairs Department.

Mr. ABRAHAM. In addition, raising CAFE standards will cost lives. On the issue of vehicle safety, for a number of years, the Federal Government has taken the lead in mandating additional safety features on automobiles in an attempt to reduce the number of lives lost in auto accidents. How ironic to learn that Federal CAFE requirements have been costing lives all this time.

The Competitive Enterprise Institute estimates that between 2,700 and 4,500 drivers and passengers die every year as a result of CAFE-induced auto downsizing. Last year, USA Today, in a special section devoted to the issue of CAFE standards and auto safety, calculated CAFE's cumulative death toll at 46,000 lives. Even the National Highway Traffic and Safety Administration, which runs the CAFE program, has recognized the deadly effects of CAFE standards. In its publication ''Small Car Safety in the 1980s,'' NHTSA explains that smaller cars are less crash worthy than large ones, even in single-vehicle accidents. Small cars have twice the death rate of drivers and passengers in crashes as larger cars, and smaller light trucks will mean even more fatalities. These trucks and SUVs have higher centers of gravity and so they are more prone to rollovers. If SUV and truck weights are reduced, thousands more will die.

On the safety issue, two additional items: First of all, it is true that since CAFE standards came into effect, the overall death rates on our roads have gotten better. However, this fails to note some pretty significant information. We have had safety belts and airbags, a variety of other safety devices included and, in some cases, mandated for usage in automobiles and other vehicles. Our roads have gotten better. For all these reasons, the overall cumulative effect in terms of safety has been better over the last 25 years. But the studies that have specifically focused on the impact of CAFE standards, the impact of lighter vehicles, the impact of less crash-resistant vehicles has shown that the problem in terms of CAFE is not to make cars and vehicles more safe but to make them less so. That is the bottom line.

Moreover, in relationship to SUVs in particular, these are vehicles that are more crash prone. Therefore, the notion of making them less safe as a product of a CAFE reform effort would be a strike at the heart of the safety of the American motorist.

In addition, increased CAFE standards reduce consumer choice. CAFE averages are determined by the buying pattern of the American public. U.S. automakers are challenged by the current CAFE standards because the American consumer has demonstrated time and again a preference for minivans and SUVs, even though alternatives that are more fuel efficient are readily available. We don't need Government mandates to force automakers to produce fuel-efficient cars. If consumers want vehicles which get better gas mileage no matter what the cost of gasoline, they have a wide choice of vehicles from which to choose.

If, as the supporters of new CAFE standards contend, consumers crave more fuel-efficient vehicles, then more small cars and vehicles would be purchased. It is supply and demand. Yet despite a variety of choices for fuel-efficient vehicles which get as much as 40 to 50 miles per gallon, these vehicles account for less than 1 percent of total vehicle sales. Why? The answer is simple: The public demands the convenience of vehicles with a larger carrying capacity and vehicles that are safer. These vehicles, minivans, and SUVs are the class of vehicle that will be eliminated should new CAFE standards be enacted, and the livelihood of the thousands of Americans employed in the production of such vehicles will be threatened.

The Americans Farm Bureau writes:

> Full size pickups are the tools of the agricultural trade and they do, indeed, haul everything from bales of hay to farm equipment to livestock feed on an every day basis. Higher CAFE standards would almost inevitably lead to less powerful engines and weaker frames and suspension or even the elimination of some full size truck models.

We should continue to let the market, not the Government, choose the

types of vehicles produced by American automobile manufacturers. Consumers will suffer if their choices are narrowed. Automakers and their employees will suffer if they are forced to make cars the public simply does not want.

Again, on the choice issue, this is precisely what happened when the CAFE standards were first adopted. In a statement before the Consumer Subcommittee of the Senate Commerce Committee, Dr. Marina Whitman of General Motors noted:

> In 1982, we were forced to close two assembly plants which had been fully converted to produce our new highly fuel efficient compact and mid-size cars. The cost of the conversions was $130 million. But the plants were closed because demands for those cars did not develop during the period of sharply declining gasoline prices.

Our automakers simply cannot afford to pay the fines imposed on them if they fail to reach CAFE standards or to build cars that Americans won't buy. In either case, the real victims are American workers and American consumers. Proponents of CAFE argue that it will reduce U.S. dependence on foreign oil and gasoline consumption. Since the program was enacted 25 years ago, the U.S. fleet average fuel economy has more than doubled. However, U.S. oil imports have risen from 36 percent to over 50 percent, and gasoline consumption has increased during that very same timeframe.

Thus raising CAFE will not reduce our dependency on foreign oil, but it will reduce job opportunities, consumer choice, and the automobile safety we presently enjoy.

Mr. President, let me explain why the entire CAFE issue itself is almost obsolete. In just a few years, American automobile workers, working individually as well as through partnerships with Government, academia, and suppliers, will be bringing to the market advanced fuel-efficient technologies—cars powered by electric, hybrid electric, clean burn, and fuel cell engines, and other promising new technologies. Toyota became the first manufacturer to mass produce a hybrid electric passenger car, the Prius, which will be on sale in the U.S. later this year. Several companies, such as Volkswagon, are already selling vehicles that utilize advanced technology to achieve 40 to 50 percent greater fuel efficiency than conventional gasoline-powered vehicles without sacrificing performance.

American automobile manufacturers are close behind. They continue to invest almost $1 billion every year in research to develop more fuel-efficient vehicles, and those efforts will soon bear fruit. In fact, just today, GM announced it will offer a fuel-efficient SUV capable of handling ethanol-based fuel. As we heard from previous speakers, the Ford Motor Company is in the process of bringing forth vehicles which will be hybrid fuel efficient within just a few years.

Clearly, there already exists fierce competition among automakers to market more fuel-efficient vehicles. So why should we even consider turning to the punitive and disruptive methods of Federal mandates through CAFE standards to increase fuel efficiency for American vehicles. This is going to happen, Mr. President. The market will drive it, and it will be done in the most efficient fashion if we allow the companies to do what they are already in the process of accomplishing, instead of grabbing control in Washington and once again dictating through a bureaucracy the way America ought to do business.

Since 1993, the Partnership for a New Generation of Vehicles has brought together Government agencies and the auto industry to conduct joint research, research that is making significant progress that will breach the gap to real world applications after 2000. By enhancing research cooperation, PNGV is helping our auto industry develop vehicles more easily recyclable, have lower emissions, and can achieve up to triple the fuel efficiency of today's mid-size family sedans—all this while producing cars that retain performance, utility, safety, and economy.

Mr. President, we are making solid progress—progress toward making vehicles that achieve greater fuel economy without sacrificing the qualities consumers demand or the safety we should all expect, progress that will render CAFE requirements obsolete.

Mr. President, I want to address the contention that lifting the CAFE freeze will simply allow the Department of Transportation to study the need to raise CAFE standards. Of course, that sounds rather benign on its face, and a study alone is something we do often around here. But the way the rules and the law are currently set up, that is simply not the case. As a matter of law, lifting the freeze will lead to higher CAFE standards on sports utility vehicles and light trucks. Public Law 94–163, the Energy Policy and Conservation Act of 1975, requires the Department of Transportation to set CAFE standards each year at—get this, Mr. President—the maximum feasible average fuel economy level.

The Secretary is not authorized to just study CAFE. The Secretary must act by regulation to set new CAFE standards each year. The last year prior to the CAFE freeze—1994—the administration began rulemaking on new CAFE standards. DOT's April 6, 1994, proposal referenced feasible higher CAFE levels for trucks of 15 to 35 percent above the current standard. Since 1995, Congress has refused to allow DOT to unilaterally increase the standards, as it has in the past.

We have recognized that it is our duty as legislators to make policy in this important area of economic and environmental concern. I believe that very strongly. I think it ought to be the Congress that steps up to the responsibility of making these kinds of determinations, which have such overriding and such pervasive impact on the economy of virtually every one of the 50 States.

Now, however, the proposal before us would move us back in the direction of delegating these critical economic decisions to the bureaucracy, the Department of Transportation. The automobile industry is a critical component of our overall economy. Indeed, the future of our economic growth depends on the continued health of the automobile manufacturing sector. That is why I believe that we in Congress should make the policy decisions related to CAFE, not regulators at the Department of Transportation, or anywhere else.

In summary, raising CAFE standards for light trucks and SUVs will cost American jobs. It will undermine our automobile industry's global competitiveness. It will compromise passenger safety. It will reduce consumer choice, and it will not reduce America's dependence on foreign oil sources. Nor, in my judgment, as I think some of our colleagues who will soon be speaking will indicate, will it make that much of an impact with respect to fuel efficiency. Therefore, I urge my colleagues to vote against this motion to instruct the conferees to strike the CAFE freeze provision.

I yield the floor and withhold the remainder of our time.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Washington is recognized.

Mr. GORTON. Mr. President, if the Senator from Michigan wants to speak, I will not ask for a quorum call.

Mr. LEVIN. I am prepared to go.

Mr. GORTON. The Senator may go ahead.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, the CAFE law, which the House of Representatives very properly has kept on the shelf—is a bill with many flaws. I am just going to focus briefly on a couple of those flaws.

First, the CAFE law, as it is written, and which would be put back into force, does not allow for the consideration of some very highly relevant factors that should be considered in the regulatory process. One of these is safety. Senator ASHCROFT—and I believe Senator ABRAHAM—have also made reference to analyses of losses of life that have resulted from lighter vehicles.

There has been a study and analysis, which has been referred to at some length, by USA Today which shows that 46,000 people have died because of the CAFE law who otherwise would not have died. I want to read very briefly from this article:

> . . . in the 24 years since a landmark law to conserve fuel, big cars have shrunk to less-safe sizes and small cars have poured onto roads. As a result, 46,000 people have died in crashes they would have survived in bigger, heavier cars.

This is according to the USA Today's analysis of crash data since 1975, when

the Energy Policy and Conservation Act was passed.

The Energy Policy and Conservation Act and the corporate average fuel economy (CAFE) standards it imposed have improved fuel efficiency. The average of passenger vehicles on U.S. roads is 20 miles per gallon versus 14 in 1975. But the cost has been roughly 7,700 deaths for every mile per gallon gained, the analysis shows.

These figures can be disputed, although this is a very lengthy and very objective analysis in the USA Today of July 2, 1999.

I ask unanimous consent that this article be printed in the RECORD at this time.

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

A USA TODAY analysis of previously unpublished fatality statistics discovers that 46,000 people have died because of a 1970s-era push for greater fuel efficiency that has led to smaller cars.

Californian James Braggs, who helps other people buy cars, knows he'll squirm when his daughter turns 16.

''She's going to want a little Chevy Cavalier or something. I'd rather take the same 10 to 12 thousand bucks and put it into a 3-year-old (full-size Mercury) Grand Marquis, for safety.

''I want to go to her high school graduation, not her funeral.''

Hundreds of people are killed in small-car wrecks each year who would survive in just slightly bigger, heavier vehicles, government and insurance industry research shows.

More broadly, in the 24 years since a landmark law to conserve fuel, big cars have shrunk to less-safe sizes and small cars have poured onto roads. As a result, 46,000 people have died in crashes they would have survived in bigger, heavier cars, according to USA TODAY's analysis of crash data since 1975, when the Energy Policy and Conservation Act was passed. The law and the corporate average fuel economy (CAFE) standards it imposed have improved fuel efficiency. The average of passenger vehicles on U.S. roads is 20 miles per gallon vs. 14 mpg in 1975.

But the cost has been roughly 7,700 deaths for every mile per gallon gained, the analysis shows.

Small cars—those no bigger or heavier than Chevrolet Cavalier or Dodge Neon—comprise 18% of all vehicles on the road, according to an analysis of R.L. Polk registration data. Yet they accounted for 37% of vehicle deaths in 1997—12,144 people—according to latest available government figures. That's about twice the death rate in big cars, such as Dodge Intrepid, Chevrolet Impala, Ford Crown Victoria.

''We have a small-car problem. If you want to solve the safety puzzle, get rid of small cars,'' says Brian O'Neill, president of the Insurance Institute for Highway Safety. The institute, supported by auto insurers, crash-tests more vehicles, more violently, than all but the federal government.

Little cars have big disadvantages in crashes. They have less space to absorb crash forces. The less the car absorbs, the more the people inside have to.

And small cars don't have the weight to protect themselves in crashes with other vehicles. When a small car and a larger one collide, the bigger car stops abruptly; that's bad enough. But the little one slams to a stop, then instantly and violently accelerates backward as the heavier car's momentum powers into it. People inside the lighter car experience body-smashing levels of force in two directions, first as their car stops moving forward, then as it reverses. In the heavier car, bodies are subjected to less-destructive deceleration and no ''bounce-back.''

The regulations don't mandate small cars. But small, lightweight vehicles that can perform satisfactorily using low-power, fuel-efficient engines are the only affordable way automakers have found to meet the CAFE (pronounced ka-FE) standards.

Some automakers acknowledge the danger. ''A small car, even with the best engineering available—physics says a large car will win,'' says Jack Collins, Nissan's U.S. marketing chief.

Tellingly, most small-car crash deaths involve only small cars—56% in 1997, from the latest government data. They run into something else, such as a tree, or into one another.

In contrast, just 1% of small-car deaths—136 people—occurred in crashes with midsize or big sport-utility vehicles in '97, according to statistics from the National Highway Traffic Safety Administration, the agency that enforces safety and fuel-efficiency rules. NHTSA does not routinely publish that information. It performed special data calculations at USA TODAY's request.

Champions of small cars like to point out that even when the SUV threat is unmasked, other big trucks remain a nemesis. NHTSA data shows, however, that while crashes with pickups, vans and commercial trucks accounted for 28% of small-car deaths in '97, such crashes also accounted for 36% of large-car deaths.

Others argue that small cars attract young, inexperienced drivers. There's some truth there, but not enough to explain small cars' out-of-proportion deaths. About 36% of small-car drivers involved in fatal crashes in 1997 were younger than 25; and 25% of the drivers of all vehicles involved in fatal wrecks were that age, according to NHTSA data.

GAS SHORTAGE WORRIES

U.S. motorists have flirted with small cars for years, attracted, in small numbers, to nimble handling, high fuel economy and low prices that make them the only new cars some people can afford.

''Small cars fit best into some consumers' pocketbooks and driveways,'' says Clarence Ditlow, head of the Center for Auto Safety, a consumer-activist organization in Washington.

Engineer and construction manager Kirk Sandvoss of Springfield, Ohio, who helped two family members shop for subcompacts recently, says that's all the car needed.

''We built three houses with a VW bug and a utility trailer. We made more trips to the lumber yard than a guy with a pickup truck would, but we got by. Small cars will always be around.''

But small cars have an erratic history in the USA. They made the mainstream only when the nation panicked over fuel shortages and high prices starting in 1973. The 1975 energy act and fuel efficiency standards were the government response to that panic. Under current CAFE standards, the fuel economy of all new cars an automaker sells in the USA must average at least 27.5 mpg. New light trucks—pickups, vans and sport-utility vehicles—must average 20.7 mpg. Automakers who fall short are fined. In return, ''CAFE has an almost lethal effect on auto safety,'' says Rep. Joe Knollenberg, R–Mich., who sides with the anti-CAFE sentiments of his home-state auto industry. Each year, starting with fiscal 1996, he has successfully inserted language into spending authorization bills that prohibits using federal transportation money to tighten fuel standards.

Even if small cars were safe, there are reasons to wonder about fuel-economy rules:

Questionable results.—CAFE and its small cars have not reduced overall U.S. gasoline and diesel fuel consumption as hoped. A strong economy and growing population have increased consumption. The U.S. imports more oil now than when the standards were imposed.

Irrelevance.—Emerging fuel technologies could make the original intent obsolete, not only by making it easier to recover oil from remote places, but also by converting plentiful fuels, such as natural gas, into clean-burning, competitively priced fuel. And new technology is making bigger, safer cars more fuel efficient. The full-size Dodge Intrepid, with V–6 engine, automatic transmission, air conditioning and power accessories, hits the average 27.5 mpg.

''Improved fuel economy doesn't necessarily mean lighter, inherently less-safe vehicles,'' says Robert Shelton, associate administrator of NHTSA.

Cost—Developing and marketing small cars siphons billions of dollars from the auto industry. Small cars don't cost automakers much less to design, develop and manufacture than bigger, more-profitable vehicles. But U.S. buyers won't pay much for small cars, often demanding rebates that wipe out the $500 to $1,000 profit.

Consumers pay, too. Though small cars cost less, they also depreciate faster, so are worth relatively less at trade-in time. And collision insurance is more expensive. State Farm, the biggest auto insurer, charges small-car owners 10% to 45% more than average for collision and damage coverage. Owners of big cars and SUVs get discounts up to 45%. ''It's based on experience,'' spokesman Dave Hurst says.

CAFE has been ''a bad mistake, one really bad mistake. It didn't meet any of the goals, and it distorted the hell out of the (new-car) market,'' says Jim Johnston, fellow at the American Enterprise Institute in Washington and retired General Motors vice president who lobbied against the 1975 law.

HERE TO STAY

CAFE is resilient, although concern over its effect on small-car safety is neither new nor narrow.

A 1992 report by the National Research Council, an arm of the National Academy of Sciences, says that while better fuel economy generally is good, ''the undesirable attributes of the CAFE system are significant,'' and CAFE deserves reconsideration.

A NHTSA study completed in 1995 notes: ''During the past 18 years, the Office of Technology Assessment of the United States Congress, the National Safety Council, the Brookings Institution, the Insurance Institute for Highway Safety, the General Motors Research Laboratories and the National Academy of Sciences all agreed that reductions in the size and weight of passenger cars pose a safety threat.''

Yet there's no serious move to kill CAFE standards.

Automakers can't lobby too loudly for fear of branding their small cars unsafe, inviting negative publicity and lawsuits. And Congress doesn't want to offend certain factions by appearing too cavalier about fuel economy. Nor, understandably, does it want to acknowledge its law has been deadly.

''I'm concerned about those statistics about small cars, but I don't think we should blame that on the CAFE standards,'' says Rep. Henry Waxman, D-Calif., who supported CAFE and remains a proponent.

Pressure, in fact, is for tougher standards.

Thirty-one senators, mainly Democrats, signed a letter earlier this year urging President Clinton to back higher CAFE standards.

And environmental lobbyists favor small cars as a way to inhibit global warming.

Although federal anti-pollution regulations require that big cars emit no more pollution per mile than small cars, environmental activists seize on this: Small engines typical of small cars burn less fuel, so they emit less carbon dioxide.

Carbon dioxide, or CO{-2}, is a naturally occurring gas that's not considered a pollutant by the Environmental Protection Agency, which regulates auto pollution.

But those worried about global warming say CO{-2} is a culprit and should be regulated via tougher CAFE rules.

Activists especially fume that trucks, though used like cars, have a more lenient CAFE requirement, resulting in more CO{-2}.

''People would be much safer in bigger cars. In fact, they'd be very safe in Ford Excursions,'' says Jim Motavalli, editor of E: The Environmental Magazine, referring to a large sport-utility vehicle Ford Motor plans to introduce in September. ''But are we all supposed to drive around in tanks? You'd be creating that much more global-warming gas. I demonize sport utilities,'' says Motavalli, also a car enthusiast and author of the upcoming book Forward Drive: The Race to Build the Car of the Future. Not all scientists agree that CO{-2} causes global warming or that warming is occurring.

SEEKING ALTERNATIVES

Worldwide, the market is big enough to keep small cars in business, despite the meager U.S. small-car market of 2 million a year. Outside the USA, roads are narrow and gas is $5 a gallon, so Europeans buy 5 million small cars a year; Asians, 2.6 million.

Automakers are working on lightweight bigger cars that could use small engines, fuel-cell electric vehicles and diesel-electric hybrid power plants that could run big cars using little fuel.

But marketable U.S. versions are five, or more likely 10, years off. That's assuming development continues, breakthroughs occur and air-pollution rules aren't tightened so much they eliminate diesels.

Even those dreamboats won't resolve the conflict between fuel economy and safety. Their light weight means they'll have the same sudden-stop and bounce-back problems as small cars. Improved safety belts and air bags that could help have not been developed.

IIHS researchers Adrian Lund and Janella Chapline reported at the Society of Automotive Engineers' convention in Detroit in March that it would be safer to get rid of the smallest vehicles, not the largest.

Drawing on crash research from eight countries, Lund and Chapline predicted that if all cars and trucks weighing less than 2,500 pounds were replaced by slightly larger ones weighing 2,500 to 2,600 pounds, there would be ''nearly 3% fewer fatalities, or an estimated savings of more than 700 lives'' a year. That's like trading a 1989 Honda Civic, which weighs 2,000 pounds, for a '99 Civic, at 2,500 pounds.

Conversely, the researchers conclude, eliminating the largest cars, SUVs and pickups, and putting their occupants into the next-size-smaller cars, SUVs and pickups would kill about 300 more people a year.

MARKET SKEPTICISM

U.S. consumers, culturally prejudiced in favor of bigness, aren't generally interested in small cars these days:

Car-buying expert Bragg—author of Car Buyer's and Leaser's Negotiating Bible—says few customers even ask about small cars.

Small-car sales are half what they were in their mid-'80s heyday. Just 7% of new-vehicle shoppers say they'll consider a small car, according to a 1999 study by California-based auto industry consultant AutoPacific. That would cut small-car sales in half. Those who have small cars want out: 82% won't buy another.

To Bragg, the reasons are obvious: ''People need a back seat that holds more than a six-pack and a pizza. And, there's the safety issue.''

That hits home with Tennessee dad George Poe. He want car shopping with teen-age daughter Bethanie recently and, at her insistence, came home with a 1999 Honda Civic.

''If it would have been entirely up to me, I'd have put her into a used Volvo or, thinking strictly as a parent, a Humvee.''

Mr. LEVIN. Mr. President, I have heard already one speaker contest some of the facts that are set forth in the USA Today article. But it seems to me that, at a minimum, it is relevant to discuss the question of safety, to study the question of safety, to look at whether or not there are additional traffic deaths that result from lighter cars. Surely, at a minimum, any law which seeks to regulate in this area should look at the kind of analysis which has been done-which shows 46,000 people have died.

Now, I am not an expert in this area. I don't know if 46,000 people have died or not. I do know that serious objective analysis by serious objective people have reached that conclusion and the CAFE law, which would be triggered into effect unless this freeze is continued, as the House of Representatives proposes, doesn't allow for consideration of safety.

It seems to me that any regulatory process should look at all of the costs and all of the benefits before we regulate. But when we look at the CAFE laws that would be put back into effect unless the position of the House of Representatives is adopted, they require that at least 18 months before the beginning of each model year, the Secretary of Transportation shall prescribe by regulation—this isn't optional, this is mandatory—shall prescribe by regulation a standard which shall be the maximum feasible average fuel economy level that the manufacturers can achieve in that model year.

None of the four or five factors listed in the law that should be considered on decisions on maximum feasible average fuel economy has to do with safety. It seems to me that kind of a narrow approach, which is just focused on some of the factors which should go into the regulatory process, is not the kind of approach which a proper regulatory process should adopt.

I emphasize that the CAFE law isn't a study. This is a mandate.

No. 1, every year there must be a decision by the Department of Transportation as to the maximum feasible average fuel economy level for the model year, and it is mandatory.

No. 2, it does not provide for consideration of highly relevant factors.

I have no problem myself with a study that looks at all the relevant factors. Quite the opposite. I think it is perfectly appropriate, provided we don't prejudge the outcome of the study and lift the freeze before we find out what the outcome of the study is. I don't have any problem with a study that looks at all of the factors objectively and then makes a recommendation.

I have plenty of problems with telling any agency of this Government that, based on a restricted list of relevant factors, they should mandate something every year on the automobile manufacturers. That excludes this current law. This CAFE law excludes highly relevant factors that should be considered.

That is point No. 1.

At the top of the list of considerations is the question of safety.

In addition to that, we have in this law which, in my judgment, unfairly discriminates against the U.S. automobile industry. That includes both the manufacturers and the people who manufacture parts.

I would like to give one example of what I mean.

Take two vehicles. These are two sport utility vehicles—the GM Sierra and Toyota Tundra. Both of these vehicles are about the same weight. One of them is slightly more fuel efficient than the other; that is, the GM Sierra. But the way the CAFE law is designed it has absolutely no impact on the imports. It has a huge impact on domestic manufacturers.

Because of the way the CAFE law is written, even though the GM vehicle is slightly more fuel efficient than the Toyota vehicle, Toyota can sell 309,000 of those Tundras without any penalty. GM can't sell one of its vehicles without a penalty.

It seems to me that this kind of disparate impact has to be looked at. No study worth its salt, and no study that is worthy of being called objective or fair, could ignore the disparate impact which the CAFE law has added. If it is put back into effect, it will continue to have a discriminatory effect on the American automobile manufacturers because of the way it is designed. It doesn't look at each vehicle weight class. Instead, it looks at the manufacturer and its total fleet.

The result is that you have some manufacturers producing vehicles no more efficient than other manufacturers that have absolutely no effective limit on what they can sell—you have the other manufacturers—and it is the American manufacturer—that are discriminatorily impacted because of the nature of their fleet. The American-made vehicles are just as fuel efficient, or perhaps slightly more fuel efficient. Yet they have to pay the price in terms of loss of market share. They have to pay a penalty. They have no room to sell vehicles the same weight as the imports can sell with no effective limits whatsoever.

People can give the arguments on the other side of this issue. That is fair enough. But the problem is—if I am right, and I believe I am right—that the discriminatory impact on the

ican manufacturers and parts producers cannot be taken into consideration as part of the annual CAFE imposition. That is not on the list of things that go into the definition of ''feasible average fuel economy'' because the Secretary is told that he or she must prescribe the ''maximum feasible average fuel economy,'' and then defines it in such a way that it excludes the discriminatory impact of the CAFE law on American manufacturers.

The CAFE law is flawed in many ways. It has some very negative consequences, in my judgment, and in the judgment of others in terms of safety, loss of life and discriminatory impact on American automobile manufacturers and parts producers.

One other thing: Not only do the imports have this huge amount of room to sell their heavy vehicles while General Motors, using this particular analysis, cannot sell any without penalty, but they can also bank so-called ''credits'' under the CAFE law. Because they can bank credits—again, we are comparing vehicles that are the same weight where the GM vehicle is slightly more fuel efficient—then because of the way in which the law is designed, Toyota could sell 1.6 million of those vehicles without any penalty; General Motors, none.

This is the original 309,000 that I made reference to, and these are the addition of so-called ''banked credits.''

There are many discriminatory, disparate, and, I hope, unintended consequences of CAFE. But I wasn't here in the early seventies when this law was drafted. I can only say I hope the consequences which I described are unintended.

The better approach to this entire issue, it seems to me, is for Government and the private sector to cooperate in a partnership for a new generation of vehicles. That is what is now underway. That partnership is producing some extraordinarily positive results.

That research approach-that voluntary cooperative partnership- harnesses the ingenuity and the energy of business, partially funded with the Government, to achieve the policy goal which we all want—which is more fuel-efficient cars, and cars that are also safer. And we don't want at the same time to unfairly damage the American automobile industry.

How much time does this Senator have left on his 15 minutes?

The PRESIDING OFFICER. The Senator has 2½ minutes.

Mr. LEVIN. The better alternative for increasing SUV and light truck fuel economy from both an environmental and equity perspective is aggressive investment in fuel efficiency research projects. The Partnership for a New Generation of Vehicles, PNGV, provides an example of the pay-off from programs that harness the energy and ingenuity of government and business to achieve this policy goal.

The goal of PNGV is to improve national manufacturing competitiveness, implement technologies that increase the fuel efficiency of and improve emissions for conventional vehicles, and develop technologies for a new class of vehicles with up to 80 mpg without sacrificing the affordability, utility, safety, and comfort of today's midsize family sedans.

For the five years that this program has existed (it is currently in its sixth year), the average annual government contribution has been about $250 million per year. The average annual private sector contribution by the Big Three has been in excess of $900 million per year.

PNGV fuel-efficient technologies, such as lightweight materials, advanced batteries, and fuel cell and hybrid electric propulsion systems, are already appearing on experimental concept vehicles shown by automakers at recent auto shows.

Under PNGV, U.S. automakers will have production-ready prototypes by 2004. Some of the technology from this aggressive research will be transferable to the light duty truck fleet.

I urge Members to vote against this resolution.

I yield the floor.

Mr. GORTON. I yield such time as the distinguished Senator from Nevada, Mr. BRYAN, desires.

Mr. BRYAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. BRYAN. Mr. President, I realize this debate has raged on for some period of time this afternoon. I will simply make a couple of points in support of the motion to instruct conferees.

Fuel economy affects Americans in a very practical way. We have seen in recent weeks the escalating prices of gasoline, prices that have caused Americans who come to the gas station real sticker shock. These are some of the numbers we have seen: $1.54 a gallon on the east coast; in my own part of the country, $1.59. Those numbers appear to be going up.

The effect of this is to require American families who are dependent upon automobiles for transportation—that is most of the people who live in a western State, such as my own in Nevada—to have less spendable income for other family needs and requirements. If it is possible to reduce the amount of money they spend by increasing fuel economy—that is, getting more miles to the gallon—it makes sense for every family, not only in my own State, but across the Nation.

We are proposing lifting the gag rule, to strip the blindfold off, to unplug our ears, and simply allow the Department of Transportation to examine the technology of the past 25 years—because it has been 25 years since we have applied new fuel economy standards in America—and see if we can't get better fuel economy and still leave a full range of vehicle choice to American consumers.

I find it hard to believe that is not a win-win for everyone. It is a win for the consumer. It is a win for the American automobile industry. It is a win for the economy. Not only do we get better fuel economy and save costs for the American motorist, but we can also help to reduce our dependence on foreign oil.

We are held vulnerable and hostage to a certain extent. We see that every time OPEC tweaks up or tweaks down the production quotas with an instantaneous response in the market. That is what has happened with respect to these increases.

OPEC recognizes how vulnerable we are. We import 54 percent of the oil consumed in this country; 40 percent of that is attributable to the automotive sector. OPEC knows, because of our dependence on imported oil, if they can get their own act together to impose some production restraints, they reduce their production, the cost to the consumer who is filling up his or her car with gasoline is going up. If we can be a little less vulnerable by reducing the amounts of oil we import, won't that be a good thing?

That is precisely what occurred in the 1970s. We were vulnerable then, as we are now, to events that occurred. We had the embargo, the fall of the Shah of Iran, and our economy was sent into a tailspin. Indeed, economically, the 1970s were a very difficult time for our country, as people who lived during that era will recall.

By passing the CAFE legislation of 1975, we reduced the amount of oil we consumed each and every day by some 3 million barrels. We are suggesting fuel economy standards are beginning to decline.

If one looks at the recent numbers, one will see that after two decades of progress, fuel economy averages are declining. In 1975, we got less than 14 miles per gallon on average. That peaked during 1988, 1999, and it has declined. The reason it is declining is that Americans are choosing to purchase trucks and sport utility vehicles. That is their choice. Light trucks and sport utility vehicles make up nearly 50 percent of the market.

Shouldn't we be able to look at the technology of the last 25 years and apply that and see if we might not get fuel economy that would make it possible for Americans to drive light trucks, sport utility vehicles, and get better fuel economy? Is there anything wrong with that? I am hard pressed to come up with an argument in opposition to that.

Here is what we have. From the time I was a child, I have been infatuated with the automobile. I have shared on this floor on many occasions the excitement I experienced as a youngster each new model year, going down to

the local dealership, peering in the dealership, and wondering what that year's model was going to be.

If I have been improvident in terms of my expenditures, probably in no area is that more evident than I have loved automobiles. I have purchased them, and I love them. So I do not speak as a Senator who has an antipathy to the automobile. I love my cars. I am very dependent, and I recognize most Americans are as well.

I say with great respect that this is an industry that has almost a Pavlovian response when it comes to suggestions that technology ought to be applied to improved fuel efficiency or some aspect of technology. The auto industry had fought us for decades on airbags. I am privileged to join the distinguished Senator from Washington on this issue. He and I were instrumental in the conference of the reauthorization of the highway bill a decade ago to get that legislation requiring airbags. Today, many Americans survive auto accidents, and of those who have had injuries, their injuries are much less than might have been expected but for airbags.

The industry resisted catalytic converters and the industry resisted tenaciously in the 1970s this legislation that we called Corporate Average Fuel Economy.

I realize that is ancient history, but is it? One gets a sense of deja vu on the floor when one listens to the arguments against even permitting the examination of new CAFE requirements. The motion to strike simply deletes reference to a rider that has been added to the Transportation appropriations bill each and every year since 1995 that says that the Department of Transportation may not consider moving forward on new fuel economy standards.

The sponsors of this action do not seek to establish a numerical standard but simply to say let the Department of Transportation examine the technology and see if a new standard could be imposed that would enable us to apply technology, reduce the number of gallons of gas we need to operate our vehicles, save consumers money, reduce our dependence on imported oil, and also to clean up our air.

These are public policy issues. One is reducing our dependence on foreign oil. Another is reducing the trade imbalance, which every economist will tell you is a point of vulnerability in an economy which has extraordinarily performed in 112 consecutive months of economic expansion—without precedent in American history. But continued trade deficits of this magnitude are a problem. About a third of those trade deficits are attributable to the amount of oil we import. We could reduce our dependency.

There is not an American city of any size that is not concerned about air pollution. Most scientists will tell you, whether or not they have fully subscribed to the global warming theory, that it is not a good thing for us to continue to pump as much carbon dioxide into the atmosphere as we are. With better fuel economy, we would reduce those emissions as well.

What is the response? Unfortunately, the industry has chosen to invoke scare tactics. In farm country they are telling America's farmers they may not be able to get and use a pickup truck. For those recreationists who tow vehicles, whether they are boats or horse trailers, they are saying they may no longer be able to participate in this particular avocation—whether it is boating or horseback riding—because we are not going to be able to build a vehicle that will pull a trailer, that will allow them to transport their boat to the lake, or their horse to an event where they want to race or show that horse.

They are telling others it will be impossible for us to produce the sport utility vehicles that they love, whether they love them for comfort, convenience, or to get out on the back trails of America and do a little off-road driving. They will not be able to do that as well.

Does this sound familiar? Those arguments, cast in the context of the 1970s, were the arguments that were advanced by the auto industry then. I must say, if the past is prologue, this would be a classic example.

In the testimony on the CAFE legislation in 1974, the Ford Motor Company testified as follows, referring to CAFE, which would have and did ultimately double the fuel economy that automobiles get, from less than 14 to more than 27 miles per gallon, in a decade.

> This proposal would require a Ford product line consisting of either all sub-Pinto-sized vehicles—
>
> Ford's smallest vehicle in the 1970s—
>
> or some mix of vehicles ranging from a sub-sub-compact to perhaps a Maverick.

That was a small vehicle as well, slightly larger than the Pinto. That was 1974. All one need do is change the words ''sub-Pinto-sized and Maverick,'' and add in there ''light trucks and sport utility vehicles,'' that we would not be able to offer those if this proposal were advanced, and we would have the contemporary argument, the argument that is made in the year 2000.

Chrysler Motors said:

> In effect, this bill would outlaw a number of engine lines and car models, including most full-size sedans and station wagons. It would restrict the industry to producing subcompact-size cars. . . .

Does the resonance sound familiar to any of us? It was a pretty familiar line of argument.

And General Motors said:

> This legislation would have the effect of placing restrictions on the availability of 5- and 6-passenger cars.

Nobody wanted that. Those were all tactics that the industry employed to frighten the American public. I am sure none of the sponsors, in 1974—and I was not a Member of this body—intended to deprive Americans of vehicle choice. I do not think anybody had in mind to prevent American families from purchasing station wagons or four-door, full-size, six-passenger sedans. I can assure you, the distinguished Senator from California, Mrs. FEINSTEIN, and the distinguished Senator from Washington, Mr. GORTON, we do not. We do not preclude or attempt to preclude it. In fact, some of us own sport utility vehicles and we want the element of choice. All we are saying is please give us an opportunity to look at the technology that would be available. Those owners of those sport utility vehicles, if we could get 4 or 5 or 10 miles per gallon more, would pay a lot less when they go to fill up at the gas pump.

I say to my colleagues, whether you believe there is a precise number you can achieve, in terms of increased fuel economy—and some have indicated we could double that once again—or whether you believe improvements more incremental and modest are possible, under the current legislation, it will be impossible for us to do so because of a rider that restrains our ability to do so. That simply does not make much sense.

So all we are asking for is an opportunity for the Department of Transportation to examine that technology. One would have to be a neo-Luddite to believe that in 25 years, a quarter of a century in which more technology advancements have occurred than in any 25 years of recorded history, of recorded civilization, that somehow the auto industry is not able to take advantage of some of those technology improvements.

So we simply ask for this opportunity. I hope my colleagues will support our position. I know as I speak, there are some discussions occurring off the floor that may lead to a compromise. I hope such a compromise will be possible. But it is a compromise that ought to let the technology, not the politics of scare and fright, dictate what a public policy for America ought to be. If we can improve that, and reduce the cost that motorists have to use their cars for work or recreation, if we can make America less dependent on imported oil, if we can ease the balance of payments that creates a potential threat to future economic expansion, if we can reduce the amount of carbon dioxide that goes into the atmosphere, would that not be a good thing? Wouldn't Americans—Democrats, Republicans, Independents, libertarians—embrace that concept? Wouldn't the far left and the far right move to the political center and say, yes, that makes sense?

I believe it is possible. All we seek is the opportunity to let American technology try. I suppose, if I have a quarrel with my friends in the auto industry, it is that they have less confidence than I do in themselves and their ability. Let me say, what they did from 1975 to 1987 was extraordinary. They doubled fuel economy—doubled it. And they doubled it at the same time they provided a full range of vehicle choice.

By the early 1990s, the largest automobile built by the Ford Motor Company—the largest automobile—got better fuel economy than the smallest Ford automobile produced in 1975, the little Pinto. That is something about which to rejoice. I say congratulations.

I am proud as an American that that kind of technology was possible, and I simply say to an industry that in 1974 believed it could accomplish nothing: Have confidence in yourself. Let all of those entrepreneurial juices flow, and we know, when given a chance, American industry produces technological marvels that are the envy of the world; give us that chance. That is what we ask of our colleagues.

I reserve the remainder of my time, as we are working on negotiations. How much time remains on each side?

The PRESIDING OFFICER. Senator GORTON has 15 minutes; the opponents have 38 minutes.

Mr. BRYAN. I suggest the absence of a quorum, and I ask unanimous consent that the time be equally divided.

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

The legislative clerk proceeded to call the roll.

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

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

Mr. GORTON. Mr. President, I have only a relatively short period of time left. The distinguished Senator from New Jersey, Mr. LAUTENBERG, is coming to speak on our side of this issue, so I will make only one or two points briefly.

I listened with great interest to each of the opponents to my motion. It seems to me, as was the case a year ago, that they emphasized overwhelmingly the impact of new fuel efficiency standards on automobile safety. In fact, those arguments would have been entirely persuasive if this were a proposal requiring lighter automobiles and small trucks. It, of course, is not. It is a proposal to allow a study of whether or not corporate fuel economy standards should be increased.

My view, and that of my distinguished colleagues from California and Nevada, is that this can be accomplished without downsizing automobiles or small trucks. Interestingly enough, many of the comments on the part of the opponents to our motion in effect said so, that great technical strides have been made in this connection, strides that we encourage.

But I simply want to make it clear that the goal of the proponents of this motion is to end the prohibition against even studying whether or not we should improve these fuel efficiency standards. To that end, there have been very serious negotiations in the course of the last hour or so among members of the contending parties, and it is at least possible we will be able to reach an agreement that will be approved on the part of all of those who have debated this issue here today.

I have every hope that that is the case because it will allow us to go forward with studies but will see to it that Congress plays the significant role—that it is playing right here today—in being permitted or required to take action before any new fuel efficiency standards become the law of the land.

With that, Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be divided equally.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. BENNETT). Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I rise to support the Gorton-Feinstein motion to instruct. This states that the House CAFE freeze rider ought not to be accepted by the Senate in conference.

When CAFE standards were first passed in the late 1970s, light trucks made up only 20 percent of the market. Back then, light trucks were used mainly for hauling. They did not often travel through congested urban and suburban areas. But all that has changed.

Today, light trucks—the category that includes SUVs and minivans—represent half of all vehicles sold. They produce 47 percent more global warming pollution than do cars. Each light truck goes through an average of 702 gallons of gas per year. That compares to 492 gallons per year for cars. Goodness knows what is happening now as we look at these prices, recognizing that our consumption of fuel is way above what it had been, importing more from what at times are very unfriendly sources. We are just on a consumption kick that is affecting our way of life but particularly our environment. I will talk more about that in a minute.

Even with the tremendous increase in the number of SUVs, the Senate continues to accept the House's CAFE freeze rider. By the way, just as a note of explanation, CAFE refers to the gas consumed and the emissions by the vehicles about which we are talking. We are talking about CAFE standards; that is, to try to have the amount of fuel consumed reduced and to try to reduce the emissions that are affecting our environment and the quality of our air.

The result of the House's CAFE freeze has meant serious consequences for American families' pocketbooks, jobs, and the environment. There is a myth floating around that CAFE standards hurt the American family. The truth is, sensible CAFE standards helps our families. It is a simple concept. If your car or your SUV uses less gas, you save money and you do less harm to the environment in which your families live. Between 1975 and 1980, when the fuel economy of cars doubled, consumers with fuel-efficient cars saved $3,000 over the lifetime of the car. That translated into $30 billion of savings in America for families to spend on items other than gas.

Jobs are also an important part of this discussion. The opposition keeps insisting that CAFE standards are going to hurt employment, particularly in the auto industry. A study by the American Council for an Energy Efficient Economy says that money saved at the gas pump and reinvested throughout the economy would create a quarter of a million jobs, 244,000 in this country, including 47,000 in the auto industry.

Another benefit of CAFE standards is in fighting the most daunting environmental challenge of our time: global warming. Passenger cars, SUVs, and light trucks accounted for 18 percent of U.S. greenhouse gas emissions in 1998. It is a major contributor to the problem of global warming. A recent National Academy of Sciences study finds that global warming trends are undoubtedly real. In December, a British Meteorological Office study said that 1999 was the fifth warmest year on record and that 7 of the hottest 10 years on record occurred in the 1990s. That tells us something. It tells us we ought to get our heads out of the sand and do something about it. That 10 years in the 1990s was the hottest decade of the millennium, also this winter.

I traveled to the South Pole in January because I wanted to see what we were doing about trying to protect ourselves against negative environmental change. When you see this beautiful ice continent and recognize the contribution it makes to the entire global environment and you hear the water rushing off as the ice melts—a condition that is not supposed to exist; it is supposed to stay hard ice; 70 percent of the world's fresh water supply is stored in the ice there—it is a very bad sign.

If we look at our families and our world, we say: What is happening? If that continues to mix with the saline, it is a terrible and ominous sign to which we should pay attention.

In Australia, a continent thousands of miles away from Antarctica, the Australians pride themselves in recreational water sports, things of that nature. Children going to the beach in Australia today have to wear hats. They have to wear full-body bathing suits because of the high incidence of skin cancer. Australia today has the highest incidence of skin cancer of any advanced country in the world. It is a terrible tragedy; it has such grim warnings attached to that.

We still are not paying proper attention. This winter, two gigantic icebergs, collectively about two-thirds the size of New Jersey—one the size of

Rhode Island and another the size of Delaware—broke off from Antarctica. One day we are going to see an iceberg the size of the State of Texas. Then everybody is going to say: Woe be unto us. Why didn't we pay attention when our environment was deteriorating literally in front of our eyes? Why didn't we pay attention when it was predicted that water levels would rise, that temperatures would rise, that a place like New York City could almost have tropical type weather?

We just saw that in a report the other day. When are we going to pay attention to the alarm we hear sounding off day after day? We choose to ignore that threat and say: Go on, spend it, use those big vehicles and burn as much gas as you want and issue as much contamination as you want. It is our problem, and it is our responsibility.

Scientists project a rise in sea level of 4 to 12 inches on the mid-Atlantic coast in the next 30 years—not 100 years, not 50 years, 30 years away. My little grandchildren who were in the gallery today will be 35 years of age. That is hardly old. That is when it looks as if we will be experiencing the worst of what ignoring the consequences of this process will mean.

Scientists also tell us higher seas will lead to greater storm surges, more coastal damage, even from relatively modest storms.

CAFE is essential for fighting this danger. A recent analysis shows that CAFE standards could be raised to over 40 miles per gallon for new cars and light trucks by 2010. This would result in emissions reductions of 396 million metric tons of carbon dioxide below business-as-usual projections, which is 6 percent of our current emissions.

I don't like to get into those kinds of astronomical figures because they don't always mean much. When we think of 396 million metric tons of carbon dioxide, that is a lot. But when we think of the poor air quality days, where it is hard for those who are elderly to go out and conduct normal travel and normal exercise, normal living, it makes it difficult for them to breathe and be as active as they like. We have few other opportunities for attacking global warming as dramatically and as cost-effectively as controlling auto fuel efficiency.

I urge my colleagues to think about this problem, to be able to say to their constituents: Yes, we are concerned. We want you to have the comfort. We want you to be able to have the cars you prefer to drive. You are spending your hard-earned money. But let's make them as efficient as we can.

It is something our geniuses in the automobile industry—and they are geniuses; they have built an incredible population of vehicles and conveniences—can make better. We have seen all kinds of samples of that. If we encourage them and know that everybody is going to be in the same competitive bind or competitive environment, they will do it.

I ask our colleagues to vote in favor of the Gorton-Feinstein motion. We have few other opportunities for attacking global warming as dramatically and as cost-efficiently as controlling auto fuel efficiency.

I will take a minute more, and I ask that my colleague from Louisiana be just a little more patient. I beat her to the microphone. That is what happens. It wasn't a foot race, but it was just a coincidence of circumstances.

Since I have been in the Senate 18 years, many wonderful things have happened. I have seen the benefit of things we have done legislatively have an impact on folks back home. Whether it is no smoking in airplanes or mentoring programs or drug control programs in public housing or computers in schools—I come out of the computer industry—all have a direct effect.

The health programs we have and the education programs have been terrific. Today, I was personally rewarded by an expression of friendship and appreciation, led by Senator SHELBY from Alabama. He is my colleague, a Republican. He used to be a Democrat. We are still friends, even though his party affiliation changed. He did something today that both shocked and humbled me. He asked that a new facility being built in New Jersey, a railroad terminal, a railroad station, where all of the railroads in New Jersey—and we have a lot of rail passenger lines—come together so that people can choose an option for going to New York City or for going to Newark Airport or for going to the beach for recreation or commuting between cities in New Jersey—he asked it be named for me, and I am, indeed, grateful. I was surprised, nevertheless flattered.

Comments by Senator BYRD and Senators JOHN KERRY, CHRIS DODD, BARBARA MIKULSKI, and TOM DASCHLE were all laudatory. I was pleased to have two of my children and grandchildren in the balcony. It was a coincidence because they live a distance away, in the State of Florida. They were here to see their grandfather. One of my grandchildren, who is 5 years old, said, ''Are they doing anything down there?'' I said, ''Perhaps you would not notice it, but they are.'' So they were here to see it. It was a happy moment for me and my family. I am grateful to my colleagues who voted for it. There was no objection when it was offered.

While I will miss this place, I will leave it with so many fond memories of opportunities to serve that are rewarded in much more specific ways than having a naming process attached to it. No one has ever exemplified that more thoroughly and more deeply than has Senator ROBERT BYRD, who sits in the Chamber at this moment, who is always talking about the nobility of the service we perform here, about the opportunity we have to give something back, showing our appreciation for being in this country, for being in this democracy, for being able to be in the position that we are to do the things we do.

So I am grateful. With that, I know I will make the Senator from Louisiana grateful by yielding the floor.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, let me say to my colleague from New Jersey how much we are going to miss his service and his leadership. I know several of my colleagues spoke earlier today on naming the train station after him. It was very appropriate; he has been such a leader in the area of transportation, particularly mass transportation, particularly in regard to how those transportation methods affect our environment. I was happy to join my colleagues today in doing that. I have really enjoyed working with him in my time here. I thank the Senator for the great service he has rendered to Louisiana. He has been a good friend to us when we have come to this floor and to meetings about things important to our State and our region of the country.

Mrs. BOXER. Mr. President, I want to commend my colleague from California for offering this motion. The motion instructs the Senate conferees to the Transportation Appropriations bill to reject the anti-environment CAFE rider.

This anti-environment rider has been included in the Transportation bill for the past four years. The rider prohibits the Transportation Department from even looking at the need to raise the nearly decade old CAFE standards.

The existing standards have saved more than 3 million barrels of oil per day. We know that raising the CAFE standards is possible and would save more oil. For example, requiring sport utility vehicles (SUVs) and other light trucks to meet the same standard that applies to passenger cars would save approximately 1 million barrels of oil per day.

Because SUVs are coming to dominate the new car market, we must make this change. But under the CAFE rider, the Transportation Department can't even think about it. They can't even study it.

Instead of moving forward to raise CAFE standards, what do some want to do to relieve our dependence on foreign oil? Some propose opening the California coasts to offshore oil drilling. Others propose opening up the Arctic National Wildlife Refuge to drilling.

Why put our natural heritage at risk when we know we could save oil by making modest changes to CAFE standards?

It's good energy policy and good environmental policy.

Mr. President, raising CAFE standards is one critical step toward restoring sanity to our energy policy. In addition to this step, I have been advocating several other proposals.

First, we need to invest more in energy efficiency and renewable energy. Over the past five years, Congress has appropriate 22 percent less than requested by the President for energy efficiency and renewable energy.

Second, we need vigorous enforcement of the anti-trust laws on oil companies. For several years I have been concerned about the practices of the oil companies on the West Coast and in my State of California. Several times I have called on the FTC to investigate possible anti-trust violations.

Just this week, the government began investigating the dramatic jump in gasoline prices in the midwest. There is apparently no external justification for these huge price spikes.

Third, we should place a moratorium on oil company mergers. By definition, mergers mean less competition and less competition means higher prices.

Fourth, we should prohibit the export of Alaska North Slope crude oil. The GAO reported that the lifting of the ban in 1995 increased the price of crude oil by about a dollar per barrel.

I hope that my colleagues will join with me in supporting this CAFE motion. It is good energy policy and good environmental policy.

Mr. BURNS. Mr. President, thank you for the opportunity to address an issue today that means an awful lot to Montanans. That issue is the very right to have access to a choice of cars and trucks that will meet the rigorous needs of rural life. I don't know how many of those listening today have driven in Montana, but it is a much different story than driving in more densely populated states. CAFE standards have a huge effect on Montanans in a lot of different ways that many people here today would not understand.

Today, some of my colleagues have cited statistics about the impact of large vehicles harming occupants of smaller vehicles. This is extremely unfortunate, but large vehicles are not a luxury. For many of us they are a necessity. Just as 18 wheeled diesel trucks keep our country's goods moving on our interstate system, large vehicles are a necessity to keep our rural economies alive. Hauling a heifer to market just is not feasible in a Geo Metro.

Now, in the Washington, D.C. area, there are many more small, economical cars on the road than there are in Havre, Montana. But, I have to remind you that in Montana we have winter for a large part of the year. A long, cold winter with plenty of snow and ice. It is the kind of weather that makes 4-wheel drive a life saving device. When you are driving your family down the road in the middle of December and the weather is miserable and cold, you want to be confident you will all be safe. This generally means a sturdy vehicle with four-wheel drive. It'll help you stay on the road, which is important considering it could be a very long time before you see anyone else, and the nearest town could be 80 miles away. If you are unfortunate enough to slide off of a two-lane road in the black of night it is nice to know your family will be protected. This is the reality in parts of Montana, as hard as it is for some of my colleagues in the Senate to imagine.

Similarly, when you live in an area of Montana that is geographically isolated, and there are very few that are not, you need to be prepared to buy more than one bag of groceries at a time. Maybe you need to buy a month's worth of groceries, and feed for the animals, and fence posts, any other odds and ends you might need and bring them all home at the same time. How you will fit that all into a little car is a mystery. You'd better leave the kids home, that's for sure

Besides that fact that stricter CAFE standards could hurt rural Montanans and the general safety issues that concern me, I think there is more at stake here. We are basically telling consumers that they have no right to choose the car they want to drive. This isn't right. In recent years, the American automobile industry has made great strides in developing better cars in every possible way. On the whole, our cars are becoming safer, and cleaner than ever before. This ingenuity is what makes American industry great.

We have done a good job of making sure the manufacture of automobiles is consistent with the environmental goals we want to reach. But to step aside and allow federal regulators to enact a blanket policy that punishes those people who use large vehicles as a necessity of every day life, and stifle the right to choice for rural consumers, is the wrong approach.

Mr. FEINGOLD. I support the Senate motion to instruct the Conferees on fuel economy standards. This issue has been controversial in my state, and I believe its effect on automobile fuel economy standards is not well understood.

My vote today is about Congress getting out of the way and letting a federal agency meet the requirements of federal law originally imposed by Congress. I support this motion because I am concerned that Congress has for more than 5 years blocked the National Highway Traffic Safety Administration (NHTSA), part of the federal Department of Transportation (DOT), from meeting its legal duty to evaluate whether there is a need to modify fuel economy standards by legislative rider since Fiscal Year 1996. The motion instructs the Conferees not recede to Section 318 of the House bill.

As I made clear last year, I have made no determination about what fuel economy standards should be. NHTSA is not required under the law to increase fuel economy standards, but it is required to examine on a regular basis whether there is a need for changes to fuel economy standards. NHTSA has the authority to set new standards for a given model year taking into account several factors: technological feasibility, economic practicability, other vehicle standards such as those for safety and environmental performance, and the need to conserve energy. I want NHTSA to fully and fairly evaluate all the criteria, and then make an objective recommendation on the basis of those facts. After NHTSA makes a recommendation, if it does so, I will then consult with all interested parties—unions, environmental interests, auto manufacturers, and other interested Wisconsin citizens about their perspectives on NHTSA's recommendation.

However, just as the outcome of NHTSA's assessment should not be prejudged, the language of the House rider certainly should not have so blatantly pre-judged and precluded any new objective assessment of fuel economy standards. Section 318 of the House bill, identical to last year's language, states:

> None of the funds in this Act shall be available to prepare, propose, or promulgate any regulations pursuant to title V of the Motor Vehicle Information and Cost Savings Act (49 U.S.C. 32901 et seq.) prescribing corporate average fuel economy standards for automobiles, as defined in such title, in any model year that differs from standards promulgated for such automobiles prior to enactment of this section.

The House language effectively prevents NHTSA from collecting any information about the impact of changing the fuel economy standards in any way. Under the House language, not only would NHTSA be prohibited from collecting information or developing standards to raise fuel economy standards, it couldn't collect information or develop standards to lower them either. The House language assumes that NHTSA has a particular agenda, that NHTSA will recommend standards which can't be achieved without serious impacts, and uses an appropriations bill to circumvent the law's requirements to evaluate fuel efficiency and maintain the current standards again for another fiscal year. I cannot support retaining this rider in the law.

The NHTSA should be allowed to provide Congress with information about whether fuel efficiency improvements are possible and advisable. Congress needs to understand whether or not improvements in fuel economy can and should be made using existing technologies. Congress should also know which emerging technologies may have the potential to improve fuel economy. Congress also needs to know that if improvements are technically feasible, what is the appropriate time frame in which to make such changes in order to avoid harm to our auto sector employment. I don't believe that Congress should confuse our role as policymakers with our obligation to appropriate funds. Changes in fuel economy standards could have a variety of consequences. I seek to understand those consequences and to balance the concerns of those interested in seeing improvements to fuel economy as a means of reducing gasoline consumption and associated pollution.

I deeply respect the views of those who are concerned that a change in fuel economy would threaten the economic prosperity of Wisconsin's automobile industry. I have heard strongly

from my state that a sharp increase in fuel economy standards, implemented in the very near term, will have serious consequences. I want to avoid consequences that will unduly burden Wisconsin workers and their employers. In the end, I would like to see that Wisconsin consumers have a wide range of new automobiles, SUVs, and trucks available to them that are as fuel efficient as can be achieved while balancing energy concerns with technological and economic impacts. That balancing is required by the law. I fully expect NHTSA to proceed with the intent to fully consider all those factors.

In supporting this motion, I take the position that the agency responsible for collecting information about fuel economy be allowed to do its job, in order to help me do my job. I expect them to be fair and neutral in that process and I will work with interested Wisconsinites to ensure that their views are represented and the regulatory process proceeds in a fair and reasonable manner toward whatever conclusions the merits will support.

Mr. KERRY. Mr. President, I ask unanimous consent that the distinguished minority whip be permitted to proceed for a unanimous consent and that I then be accorded the floor immediately following.

Mr. MCCAIN. For how long?

The PRESIDING OFFICER. For 4 minutes.

Mr. MCCAIN. I have no objection.

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

Mr. REID. It is my understanding an agreement is worked out so we do not need a vote.

Mr. GORTON. That is correct. We are prepared to implement that agreement now, if we have permission.

Mr. REID. We have a unanimous consent agreement that has been worked on all day that is now ready to be entered, next week.

Mr. GORTON. That is also correct.

Mr. REID. Could we proceed with either one of the two unanimous consent agreements?

Mr. GORTON. With the permission of the Senator from Massachusetts.

Mr. KERRY. Mr. President, it may be my remarks will be shorter. If they take a brief period of time, I am happy to let that go forward, with the understanding that I will have the floor immediately after.

Mr. REID. I say to my friend from Massachusetts that people literally have been waiting all day. We need something on the record indicating there will be no votes.

Mr. KERRY. I am happy to accommodate my colleagues. It will probably be shorter if they start and do it rather than talk about doing it.

MOTION TO INSTRUCT CONFEREES, AS MODIFIED

Mr. GORTON. Mr. President, I have at the desk a revised motion to instruct the conferees on the Transportation appropriations bill. I ask unanimous consent it be in order to consider it and it be reported.

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

Mr. GORTON. I ask unanimous consent the reading of the motion be dispensed with.

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

The motion is as follows:

I move that conferees on the part of the Senate on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4475) be instructed, and are hereby instructed, to accept section 318 of the bill as passed by the House of Representatives, but to authorize the Department of Transportation, pursuant to a study by the National Academy of Sciences in conjunction with the DOT, to recommend, but not to promulgate without approval by a Joint Resolution of Congress, appropriate corporate average fuel efficiency standards;

Provided, however, that any such study shall include not only those considerations outlined in 49 USC section 32902(F) but also the impact of any such proposal on motor vehicle safety, any disparate impact on the U.S. automotive sector, and the effect on U.S. employment in the automotive and related sectors, and any other factors deemed relevant by the National Academy of Sciences or the committee of conference.

The National Academy of Sciences shall complete its study no later than July 1, 2001, and shall submit the study to Congress and the Department of Transportation.

Mr. GORTON. Mr. President, essentially we have had a debate over the refusal to allow anybody in the Transportation appropriations bill to be used to study, propose, or promulgate new corporate average fuel economy standards. The proponents of the original instruction have stated they did not wish for the Department of Transportation to be authorized to promulgate any such new rules without the consent of Congress or without another vote in Congress but that they felt it inappropriate to prevent studying what technology now permits us to do with respect to such standards.

This revision simply allows the House provision to go into effect with respect to the old 1975 law. However, it also tells the conferees to authorize a study by the National Academy of Sciences in conjunction with the Department of Transportation that by July 1 of next year will recommend but will not promulgate, without approval by a joint resolution of Congress, appropriate corporate average fuel economy standards.

It also expressly states that they shall consider safety—which was a major part of the debate here—and the impact on the automobile and manufacturing business in the United States.

It will last only, of course, for the fiscal year 2001 because this is an appropriations bill, but we hope by that time we will have something that we can debate that will be real in nature rather than just theoretical.

I ask unanimous consent my motion be considered a motion for me, for my distinguished colleague from Nevada, Mr. BRYAN; the Senator from California, Mrs. FEINSTEIN; and the three Members who have debated against this, both Senators from Michigan, and the Senator from Missouri, Mr. ASHCROFT.

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

The Senator from Michigan.

Mr. LEVIN. Mr. President, I want to be clear that this language instructs the conferees to accept section 318 in the House bill. Those are the words in this motion.

In addition, one of the specific factors in the study we look at is ''the disparate impact, if any, on the U.S. automotive sector.'' Then it issues the words, ''and any other factors deemed relevant by the National Academy of Sciences or the committee of conference.''

My question to the Senator from Washington is whether or not in his judgment the fairly lengthy list of factors which are relevant to this question, which are set forth in Senate bill 2685, a bill which was introduced, I believe, by Senators ASHCROFT and ABRAHAM, myself, and a number of others, whether in his judgment those factors would be included as being relevant in any study?

Mr. GORTON. Mr. President, I answer my friend from Michigan that I believe the widest range of considerations should be a part of this study, including, of course, those that the Senator from Michigan has set forth, and for that matter anything else the National Academy of Sciences considers to be relevant.

Mr. LEVIN. And the answer specifically is what?

Mr. GORTON. The answer to the question was yes.

Mr. LEVIN. I thank the Senator.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. REID. Mr. President, I have the floor. I have imposed upon my friend from Massachusetts. This was supposed to be just a brief dialog while we entered a unanimous consent request. He only requested 4 minutes and he has yielded to get this done. We have now taken 8 or 9 minutes. I don't think that is fair.

Mr. ABRAHAM. I ask unanimous consent following the statement of the Senator from Massachusetts, after his 4 minutes, we then return to consideration of the motion to instruct, and that I be permitted to speak at that time.

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

Mr. REID. I wonder if we could enter the unanimous consent request?

Mr. LEVIN. Has this motion been adopted?

The PRESIDING OFFICER. No motion has been adopted.

Mr. LEVIN. I suggest this motion be agreed to if there is no further debate.

Mr. ABRAHAM. I object.

Mr. LEVIN. And the speech of the Senator from Michigan, relative to the motion, be inserted prior to adoption of the motion.

Mr. BRYAN. I ask my colleague to suspend. We have run into a couple of

potential language issues that I need a couple of minutes to explore. I can assure my colleague it is not my purpose to delay, but there are some language changes here that we need to check out.

The PRESIDING OFFICER. The Senator from Massachusetts has the right to reclaim the floor.

Mr. KERRY. Mr. President, I had a feeling my 4 minutes was going to be shorter than their 4 minutes. But here is what I am willing to do. I want to try to accommodate my colleagues. I think it is important. I know how important these critical moments are. You want to try to make it work when you can.

Mr. REID. Will the Senator yield?

Mr. KERRY. I yield to the Senator.

The PRESIDING OFFICER. Under the previous order, the Senator from Michigan is recognized.

Mr. ABRAHAM. Mr. President, I know we want to move as quickly as possible to the digital signature, e-signature legislation. Obviously, we have to finish the action on the proposed motion to instruct. My comment on the proposal submitted by the Senator from Washington is that I think it moves in a very positive direction.

I have introduced legislation in the Senate for the past several Congresses, attempting to establish what I consider to be a more appropriate way of considering issues related to corporate average fuel economy. Specifically, I feel the current considerations are not broad enough. We do not take into account—as I indicated in my speech earlier today—the impact on employment in the United States and, more specifically, in the automotive industry. We do not take into account safety; we do not take into account similar factors that matter to the people I represent.

The proposal is to have a study conducted by the National Academy of Sciences that would look specifically at those considerations, as well as many others that the Academy or the conference committee would recommend—as the Senator from Washington indicated in the colloquy with my colleague from Michigan—and other criteria that we have included in legislation that I have introduced in this and previous Congresses.

The other thing which I have always felt is relevant to this process is how the role of Congress should be enhanced. I mentioned this earlier today in my remarks. I believe something as directly significant to the economy of the United States as the automobile industry, and specifically the CAFE standards' impact on that industry, are issues that Congress ought to have an ultimate role in addressing. I am happy the provisions here would subject any changes—at least in this fiscal year—to the approval of Congress by a joint resolution. I think that makes a lot of sense, because that would put the elected officials of this country—not the unelected bureaucrats of this country—in the position of making the significant determinations that will impact our economy.

For both those reasons I think this approach makes sense for this fiscal year. It keeps intact the freeze which we have had in recent years, so there will not be an increase or change in corporate average fuel economy standard generated through the process that has existed under United States Code. But at the same time, it does provide those who wanted a study the opportunity to have one conducted by the National Academy of Sciences. It also gives Congress a much more direct role in any changes that might occur during the upcoming year. And it does, I think, acknowledge the very important criteria beyond simply the question of appropriate levels of fuel economy—criteria like safety, criteria like employment. Criteria that relate to our economy would also be taken into consideration.

So I believe this makes sense as now submitted to this body. I hope we can quickly act on it.

The PRESIDING OFFICER. The question is on agreeing to the motion, as modified.

The motion, as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Chair appoints Mr. SHELBY, Mr. DOMENICI, Mr. SPECTER, Mr. BOND, Mr. GORTON, Mr. BENNETT, Mr. CAMPBELL, Mr. STEVENS, Mr. LAUTENBERG, Mr. BYRD, Ms. MIKULSKI, Mr. REID, Mr. KOHL, Mrs. MURRAY, and Mr. INOUYE conferees on the part of the Senate.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, the Senator from Nevada had a question about the duration of the motion that was just agreed to. It probably would have been better to have stated that it expires on September 30, 2001, as does the entire bill on that date. I know he wished my assurance and the assurance of the people on the other side, Senator LEVIN, that it is our intention, and we will make that clear in any final conference committee report that this is a 1-fiscal-year provision only and that the entire provision expires at the end of fiscal year 2001.

Mr. BRYAN. Mr. President, I thank the Senator for his comments. To be sure, we are saying the entire provision, as I understand the observation of the Senator from Washington, all the language incorporated in this motion will expire September 30, 2001.

Mr. GORTON. The Senator is correct.

Mr. BRYAN. May I ask the Senator one other question?

Mr. GORTON. Certainly.

Mr. BRYAN. There was some discussion about the use of the words ''recommend'' and ''proposed.'' Can the Senator state his intention with respect to that language?

Mr. GORTON. The Senator from Michigan asked we use ''recommend'' rather than ''proposed.'' I think it is a distinction without a difference. The operative language here is nothing can go into effect unless Congress has approved it. Whether it comes in the form of a recommendation from the Department of Transportation or proposal from the Department of Transportation, Congress has to approve it.

Mr. LEVIN. Will the Senator yield?

Mr. BRYAN. I will be happy to yield to the Senator from Michigan.

Mr. LEVIN. Perhaps our recollection is different, but I am not sure it makes a major difference. My recollection is in the original draft of this motion, the Senator from Washington had used the word ''recommend.'' I may be wrong on this, but this is my recollection, which I have shared with my good friend from Nevada so we are all straight with each other, as we always are.

The word at some point was changed to ''proposed,'' and then a number of us on this side of the issue urged the word ''recommend'' be used instead of ''proposed'' to avoid any implication that this was a proposed rulemaking. That was the reason that word did have some relevance. There is no intention here that there be a proposed rulemaking which be authorized in any way by this motion. The word ''proposed'' could create an implication which was unintended, whereas the word ''recommend'' does not have that implication.

That was my recollection. If I am wrong on that, then I certainly want my friend from Nevada to know historically that was my recollection, and that is what I represented to him.

Mr. BRYAN. I appreciate the explanation of the Senator from Michigan. I say with great respect, I believe and I recall—and I may be in error as well—that the language ''proposed'' was originally offered by my friend from Michigan. I know he has a different recollection, and we are not, obviously, going to resolve it. I know he has been acting in good faith, and I know he knows I have been asking in good faith.

Mr. LEVIN. That question, of whether the words ''recommend'' or ''proposed,'' in any event, was explicitly discussed among all of us who were involved in this revised motion, and it was important to those of us who opposed the original motion that the word ''recommend'' be used for the reason I just gave.

If the recollection of the Senator from Washington is the word ''proposed'' originally was made by me, if in fact that is true, so be it. That is not my recollection. Nonetheless, it did become an issue in discussion whether the word be ''proposed'' or ''recommend,'' and it became important to those of us opposing the motion that the word ''recommend'' be used to avoid that implication which everybody said was not intended.

Mr. GORTON. In one minor respect, the senior Senator from Michigan is in error. My own handwritten first draft said ''proposed.'' I simply acceded to the recommendation of the Senator from Michigan that we use the word ''recommend.''

Clearly, what we are speaking about is the promulgation of a rule, and nothing can be promulgated by the Department of Transportation without approval of a joint resolution of Congress. So whether it recommends or proposes, they are going to have to come here before any rule takes place.

In connection with my earlier answer, all of these bars are off in a year. We will be right back here next year, I hope maybe not debating the same issue. I hope we may have been able to reach a conclusion on it.

Finally, the point of all these words, what we are now doing is instructing our conferees to a conference with the House of Representatives, and it is the words and the requirement that come out of that conference committee, of course, that will govern actual future action.

My intention as a member of that conference committee, and perhaps the only one in this colloquy who is a member of that conference committee, will be to see to it that we have a very thorough study of this subject. I hope, like my colleagues from Michigan, that it will recommend stronger corporate average fuel economy standards, but I am willing to listen to the experts in that connection. If it does, I will support them in this body, but if something else happens, we will be debating this issue again next year. The law that applies to corporate average fuel economy standards today will apply when this fiscal year is over once again, and the same kind of rulemaking will take place then.

I hope I have not spoken too long on this subject, but I think we ought to get on with it now and do the job that needs to be done.

Mr. ABRAHAM. Mr. President, I wish to indicate I was actually speaking on the floor at the time that the initial exchange of documents took place, but from the point at which I concluded my remarks and began discussing this issue with the Senator from Michigan and the Senator from Washington, it was certainly my understanding that the intention, and certainly our side's intention, in urging the word ''recommend'' be employed was to make precisely the distinction which my colleague from Michigan just indicated. Certainly there was an important element to that change from my point of view, as I know there was from his.

I am hopeful as the process moves forward that it will do so in the constructive way we have outlined. We ought to make clear a rulemaking procedure is where ''a proposed set of rules'' would be the term of art used. For a study, which is what we intended here—a recommendation is different from the proposal that might stem from an actual rulemaking. That is my interpretation of the discussions in which I at least took part.

UNANIMOUS CONSENT AGREEMENT

Mr. REID. Mr. President, I have a statement on behalf of the majority leader.

I ask unanimous consent that immediately following the disposition of the motion to instruct the conferees, the Senate turn to the e-signatures conference report under the previous consent.

I further ask consent that when the Senate resumes the DOD authorization bill at 3 p.m. on Monday, it be considered under the following terms:

That the pending B. Smith amendment and the Warner amendment be laid aside and Senator KENNEDY be recognized to offer his amendment regarding hate crimes, and immediately following that offering, the amendment be laid aside and Senator HATCH or his designee be recognized to offer his hate crimes amendment.

I further ask that the two amendments be debated concurrently and that no amendments be in order to either amendment prior to the votes in relation thereto and that the vote occur in relation to the Hatch amendment to be followed by the Kennedy amendment following the vote in relation to the Murray amendment on Tuesday.

I also ask that at 9:30 a.m. on Tuesday, Senator DODD be recognized to offer his amendment relative to a Cuba commission and there be 120 minutes equally divided on the amendment prior to a motion to table and no amendments be in order prior to the vote, with the vote occurring in a stacked sequence following the two votes ordered regarding hate crimes.

I further ask consent that at 11:30 a.m. on Tuesday, the Dodd amendment be laid aside and Senator MURRAY be recognized to offer her amendment relative to abortions and there be a time limit of 2 hours under the same terms as outlined above with the vote occurring at 3:15 p.m. on Tuesday.

I further ask consent that the Senate stand in recess between the hours of 12:30 p.m. and 2:15 p.m. on Tuesday in order for the weekly party conferences to meet.

I also ask that there be 4 minutes of debate prior to each vote in the voting sequence on Tuesday and no further amendments be in order prior to the 3:15 p.m. votes.

I finally ask consent that the Senate proceed to S. 2522, the foreign operations appropriations bill following the disposition of the above mentioned amendments and any amendments thereto and no call for the regular order serve to displace this bill, except one made by the majority leader or minority leader.

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

ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the conference report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 761), to regulate interstate commerce by electronic means by permitting and encouraging the continued expansion of electronic commerce through the operation of free market forces, and for other purposes, having met, after full and free conference, have agreed that to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. The Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings at pages H4115–18 of the RECORD of June 8, 2000.)

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I yield 2 minutes to the Senator from Massachusetts.

Mr. KERRY. Mr. President, I promised I would not go in front of Senator WYDEN.

I yield to the Senator from Oregon.

Mr. MCCAIN. How long does the Senator from Oregon need?

Mr. WYDEN. I was contemplating speaking about 5 minutes. But, again, I do not want to inconvenience my colleagues.

Mr. MCCAIN. I yield 5 minutes to the Senator from Oregon, followed by 2 minutes to the Senator from Massachusetts, and then those of us on the beleaguered majority will have our say.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, the conference agreement on digital signatures that is going to be overwhelmingly approved tomorrow morning may be the big sleeper of this Congress, but it certainly was not the ''big easy.''

The fact of the matter is, when we started on this in March of 1999, Senator ABRAHAM and I envisioned a fairly simple interim bill. We were looking at electronic signatures to make sure that in the online world, when you sent an electronic signature, it would carry the same legal weight as a ''John Hancock'' in the offline world.

But as we prepared—after this passed the Commerce Committee—to move forward with a pretty innocuous bill, the financial services and insurance industries came to us with what we thought was a very important and thoughtful concept; and that was to revolutionize e-commerce, to go beyond establishing the legal validity of e-signatures to include electronic records, keeping important records electronically. We were told by industry—and correctly so—that this would give America a chance to save billions and billions of dollars and thousands of

hours, as our companies chose to spend their funds on matters other than paper recordkeeping.

At the same time, the consumer groups that sought this proposal were extremely frightened. They saw this as an opportunity for unscrupulous individuals to come on in and rip off senior citizens, to foreclose on people's homes, to cut off health insurance, and things of that nature, by just perhaps an e-mail into cyberspace.

Chairman MCCAIN is here. This is truly a bipartisan effort in every respect. I had a chance to work with my senior colleagues on this side, Senator LEAHY, Senator HOLLINGS, Senator SARBANES, and our friend Senator KERRY, who is here. And let me tell you, it ultimately took three Senate committees 8 months and thousands of hours to get it done. We had to bring together key principles of what is known as the old economy, such as consumer protection and informed consent, and fuse them together with the principles of the new economy and the online world, and the chance to save time and money through electronic records and electronic signatures.

What we tried to say, on this side of the aisle, and what we were able to get a bipartisan agreement around, is the proposition that consumer rights are not virtual rights. We have to make sure—and we have it in this legislation—that the protections that apply offline would apply online. We were able to do it without enduring all kinds of unnecessary redtape and bureaucracy. I wanted the bill to unleash the potential of electronic signatures and records for industry without shattering a cornerstone of American commerce: the right of individual consumers to have meaningful and informed consent and to keep accurate records of their contracts and transactions.

I believe the conference agreement before the Senate has met the challenge of protecting consumer rights in the new economy.

Consumer rights are not virtual rights. Consumers must enjoy the same basic rights in the online world as they have in the off-line world. Through the electronic consumer consent provision in Section 101(c) that I authored with Senators LEAHY, HOLLINGS and SARBANES, I believe we have adequately translated offline consumer protections into online consumer protections.

Let me just spend a minute describing this key provision of the conference agreement. This provision requires that consumer consent must be meaningful. We all know of cases where someone said, ''Just e-mail me that document,'' only to have that person call later, saying ''Gee, I couldn't open the document, can you fax it to me?'' I can't recall how many times this exact thing happened to our own staff during the negotiation of this agreement.

Meaningful consumer consent doesn't mean being given a pageful of hardware and software specification gobbledygook. It means consenting electronically so that a consumer knows he or she can receive, read and retain the information in an electronic record.

Section 101(c) provides that if a statute, regulation or other rule of law requires that information relating to a transaction be provided or made available to a consumer in writing, the vendor can use electronic means if the consumer, prior to consenting, has been given a clear and conspicuous statement of his or her rights. The consumer must be informed of the option of getting the record on paper, and what the consequences are if he or she later withdraws the electronic consent in favor of returning to paper records. Some vendors, for example, may be able to achieve considerable savings by using electronic records, and offer customers a much more attractive price for doing business online rather than through traditional paper and snail mail. But a vendor might not want to be locked into a lower price if the buyer reverts to paper later in the life of the contract. This provision will assure a consumer will be informed up front of any change in the cost if the consumer withdraws consent to receive records electronically subsequent to consummation of the contract. This could happen, for instance, if a consumer finds he cannot access the documents electronically, or the vendor chooses to upgrade his software and the consumer does not want to go to the expense of upgrading his system to accommodate the change.

The consumer must also be informed of the hardware and software necessary to access and retain records electronically, how to withdraw electronic consent, how to update information needed to contact the consumer electronically, the categories of records that will be provided or made available electronically, how a consumer may request a paper copy of an electronic record and whether a fee will be charged for such copy. If a vendor changes the electronic system used to obtain the original consent electronically, the vendor must obtain the consent electronically again using the new system and the same two-way consent process.

Most importantly, the consumer must consent electronically or confirm his or her consent electronically in a manner that reasonably demonstrates that the consumer can access the information in the electronic form that will be used to provide the information. This is critical. ''Reasonably demonstrates'' means just that. It means the consumer can prove his or her ability to access the electronic information that will be provided. It means the consumer, in response to an electronic vendor enquiry, actually opens an attached document sent electronically by the vendor and confirms that ability in an e-mail response.

It means there is a two-way street. It is not sufficient for the vendor to tell the consumer what type of computer or software he or she needs. It is not sufficient for the consumer merely to tell the vendor in an e-mail that he or she can access the information in the specified formats. There must be meaningful two-way communication electronically between the vendor and consumer.

At the heart of these provisions is the concern—shared by many in the industry as well—that electronic communication, e-mail, is not as reliable or as ubiquitous as traditional first class mail. Until advances in electronic mail technology eliminate such concerns and until the vast majority of Americans are comfortable using the technology of the New Economy, consent to use electronic records requires special care and attention. Because of such concerns, there are some areas where the use of electronic notice and records are simply not appropriate today. Section 103 of the conference agreement recognizes this by continuing to require paper notice. These areas include shutting off a consumer's utilities, canceling or terminating health insurance or benefits or life insurance benefits, foreclosing on someone's primary residence, recall of a product that risks endangering health or safety and documents required to accompany the transportation or handling of hazardous materials, pesticides, or other toxic or dangerous materials. What happens, for example, if a hazmat truck loaded with toxic waste spills its cargo, endangering a community, and the only notice about the hazardous cargo was posted on the company's website? Is it fair to allow a mortgage lender to foreclosure on someone's home just because their ISP went out of business and they weren't receiving their payment notices electronically? The exceptions we fought for in this section of the conference agreement will protect consumers.

Before paying tribute to those who worked so hard on this bill. I believe it is important to the legislative history to say a brief word about the process. This is necessary because, unfortunately, statements are being made or inserted in the RECORD and colloquies are being offered that seek to weaken, undermine and even directly contradict the actual words of the text of the Conference Agreement. This appears to come from some quarters that do not share the majority view of those who signed the Conference documents. As one of the principal sponsors of the Senate measures, S. 761, I am compelled to point out that the actual text of the legislation can and should stand on its own.

The negotiations that led to the final legislative document were very difficult and contentious. Because of this, part of the agreement on the final language included a commitment—a sort of ''gentleman's agreement'' if you will—from all the signers of the Conference Agreement not to prepare the normal Statement of Managers that accompanies a Conference document. There is no Statement of Managers for

S. 761, and no one should pretend there is. As one of the key managers for the Senate, I can attest that I did not participate in negotiating such a document, not did I acquiesce to one prepared by another party or parties or sign one.

The conference agreement is the product of many, many long days and nights of negotiations. Commerce Committee Chairman MCCAIN, Ranking Democrat Senator HOLLINGS, Senators LEAHY and SARBANES, and Senator ABRAHAM all contributed to this product. The efforts of our distinguished colleagues in the House, Commerce Committee Chairman BLILEY and Ranking Democrat JOHN DINGELL, were critical in this process. I would also like to recognize some of the key staff and Administration officials who did yeoman work to produce this agreement. In particular, Senator HOLLINGS' Counsel, Mosses Boyd, and his Commerce Committee Staff Director, Kevin Kayes, Senator LEAHY's outstanding Judiciary counsel, Julie Katzman, Senator SARBANES' Banking Staff, Marty Gruenberg and Jonathan Miller. Chairman MCCAIN's very able and patient counsel, Maureen McLaughlin, and Senator ABRAHAM's lead staffer on this bill, Kevin Kolevar. Sarah Rosen-Wartell of the White House staff and Commerce Department General Counsel Andy Pincus also deserve praise for their hard work on this bill.

This conference agreement came perilously close on more than one occasion to running off the rails, but each time the will was found to resume negotiations and try to bring the conference to a close. This is also a tribute to the hard work of a handful of consumer and industry groups who did not want to give up on the process. I urge my colleagues to vote for this agreement, which lays another important cornerstone for electronic commerce.

At the end of the day, this is not a perfect bill. I do not think any of the conferees would argue that it is. But it is a very good bill. It is a very good bill because, as a result of three Senate committees and thousands of hours, we took key principles of what was known as the old economy—consumer protection, informed consent, making sure that the vulnerable, the elderly, and people for whom the home and health care are lifeline concerns—we ensured that they will be protected, while at the same time allowing those in the financial services industry, who came to us with sensible suggestions for saving time and money—by taking records from paper to the electronic world—to have their concerns addressed, while at the same time being true to fundamental values of consumer protection and the fusing together of the new and the old economy. That is what I think makes this legislation so special.

Chairman MCCAIN is here. He and his staff did an extraordinary job, as did Senator ABRAHAM. I cannot say enough good things about four senior Democrats—Senator LEAHY, Senator SARBANES, Senator HOLLINGS, and Senator KERRY—because they helped us champion those consumer protection principles that were so important and helped us get this bill done right.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I join my colleague from Oregon in expressing support for what we have achieved here. I begin by thanking Senator MCCAIN, Senator SARBANES, and Senator HOLLINGS for their leadership. They helped to create the climate within which we were able to finally get together with the House leadership.

But also I thank the distinguished Senator from Oregon. He is extraordinarily knowledgeable in this arena and very creative. And he works hard at it. He really has helped to shape the outcome of this in a significant way. I think he has done a very good job of outlining the tensions that existed here.

Many of us thought, at the outset of this endeavor, that we could accomplish this quickly. We ran into, as he said, complications along the road. The key to many of us was that even as we provided the legal capacity for electronic signatures to take place and certain recordkeeping to take place, we did not want to diminish the rights of our citizens to have access to information about them, we did not want their ability to be able to make corrections to be diminished somehow. We did not want to diminish their right to know about themselves or about their own transactions in a way that would diminish their position in the marketplace. And that is a difficult thing. We worked through that. I think we are still going to be working through that for some time.

But the important thing is that this phenomenon, this revolution that is taking place in America and across the globe in how we do business, needed to be——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERRY. Will the Senator yield me 30 more seconds?

Mr. MCCAIN. I yield the Senator 30 more seconds.

Mr. KERRY. That revolution needed to be able to continue in its most creative form and, frankly, with the best upside possible for the people to whom we are all accountable, who are the consumers, the citizens, and the people who ultimately we want to have benefit from this. I think this legislation is very positive in that regard.

I thank the chairman of the Commerce Committee, Senator MCCAIN, for his leadership and his courtesy in letting the usually mostly abused and beleaguered minority take a dominant position at the outset of the debate. It is characteristic of him that he allowed us to do that. It is a very momentary glimpse of freedom we are not used to. We thank him for that. It is just whetting our appetite and only makes us work harder to have that dominant position forever.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I appreciate both my friend from Oregon and my friend from Massachusetts for their work on this bill. I appreciate their comments. It is a great pleasure to work with both of them on the Commerce Committee.

I think sometimes it is worthy of note, in these days of tension, that on the Commerce Committee we have a great habit of working in a bipartisan fashion. I would argue that no bill that I know of has been reported out of our committee that was not a bipartisan effort. No bill has been reported out, that I know of in the years that I have been the chairman, that was strictly along party lines.

Mr. President, tonight the Senate considers the conference report for S. 761, the Electronic Signatures in Global and National Commerce Act. Before I summarize the bill, I want to note for the RECORD the importance of this measure.

The bipartisan legislation would be a significant achievement for this Congress and the American people. Today in America we are in the midst of a phenomenal transformation from the industrial age to the information age.

Even as we speak, Americans are on the Internet, browsing, researching, and experiencing in ever-greater numbers. They are also buying. In fact, electronic commerce is one of the principle engines driving our Nation's unprecedented economic growth. For example, Forrester Research has estimated that consumer spending online will total $185 billion by 2003. During this past holiday season alone, online merchants transacted an estimated $5–7 billion dollars worth of commerce—a 300% increase in business from 1998.

But one great barrier to the continued growth of Internet commerce is the lack of consistent, national rules governing the use of electronic signatures. A majority of States have enacted electronic authentication laws, but no two of these laws are the same. This inconsistency deters businesses and consumers from using electronic signature technologies to authorize contracts or transactions.

This bipartisan legislation can eliminate this unnecessary barrier to the growth of electronic commerce by providing consistent, fair rules governing electronic signatures and records.

This bill will do the following:

It would ensure that consistent rules for validating electronic signatures and transactions apply throughout the country. Thus providing industry with the legal certainty needed to grow electronic commerce.

It empowers businesses to replace expensive warehouses full of awkward and irreplaceable paper records with electronic records that are easily searched or duplicated. Moreover,

State and Federal agencies are prohibited from requiring a business to keep paper records except under extreme circumstances—where they can show a compelling government interest. To prevent abuses of electronic record-keeping, however, the bill also authorizes regulatory agencies to define document integrity standards that are necessary to insure against fraud.

It would also ensure that private commercial actors get to choose the type of electronic signatures that they want to use. This will ensure that the free market—not government bureaucrats—will determine which technologies succeed. To that end, the legislation also prohibits States or Federal agencies from according ''greater legal status or effect'' to one specific technology.

And this bill recognizes that without consumer confidence, the Internet can never reach its full potential. Thus, this bill empowers consumers to conduct transactions or receive records electronically without foregoing the benefits of State consumer disclosure requirements.

Specifically, the bill would provide that when consumers choose to conduct transactions or receive records electronically, electronic records can satisfy laws requiring a written consumer disclosure if: consumers have been given a statement explaining what records they are agreeing to receive electronically, the procedures for withdrawing consent, and any relevant fees, and consumers consent, or confirm consent electronically, in a manner that reasonably demonstrates that they can actually access the information.

The goal of these consumer protection provisions is basic fairness. To that end, if a business changes hardware or software requirements in a way that precludes the consumer from accessing or retaining the records, the consumer can withdraw consent—without a fee.

But the bill also ensures that these consumer protections do not become unduly burdensome as technology advances. Thus, for example, the bill provides that a Federal regulatory agency can exempt categories of records from the consumer consent provisions if this would eliminate a substantial burden on e-commerce without jeopardizing consumers.

I also note that the bill directs the Secretary of Commerce and the Federal Trade Commission to report to Congress on the benefits and burdens of the bill's consumer protection provisions. It also directs the Secretary of Commerce to report to Congress within 12 months on the effectiveness of delivering consumer notices via email.

This is important legislation, and my colleague from Michigan, Senator ABRAHAM, is to be commended for his foresight in introducing this legislation. He is responsible for the formulation of it. He has shepherded it through for many months. I commend him for his work on this legislation. It is safe to say this legislation and conference report would not be here today if not for the efforts of Senator ABRAHAM. I also commend Senators STEVENS, BURNS, WYDEN, LEAHY, HOLLINGS and SARBANES for their commitment to bipartisan agreement on the critical issues raised by this legislation. And, I thank Chairman BLILEY and ranking member DINGELL in the House, for their dedication and leadership on this issue.

Reaching a bipartisan agreement on the issues raised by this legislation has not been easy. In fact, the conferees to this bill have spent months considered the often-conflicting views of various industries, consumer protection groups, State governments and federal agencies.

Needless to say, the bill that emerged from this broad and contentious process had to try to strike a fair balance between the often-conflicting interests of these groups. As a result, some factions may have had doubts about the bill because they thought that a narrower or partisan legislative process might have produced a bill more slanted towards their narrow interests.

But that sort of thinking is shortsighted and fatally flawed: Where this legislation is concerned, a narrow or partisan approach would have jeopardized the growth of electronic commerce. This would have harmed businesses, consumers and the national economy—including the same special interests that a narrower approach might have sought to favor.

We must recognize that this bill represents one step in the continuing—and unfinished—process of integrating electronic transactions and the Internet into the mainstream of American commerce. This process of integration must continue if we are to continue to enjoy the unprecedented economic growth that e-commerce and technology have helped bring to this country.

But electronic commerce cannot continue to grow and develop without broad support from consumers, businesses and governments. Consumers will not support electronic commerce if they discover that electronic transactions strip them of traditional protections.

Nor will businesses support electronic commerce if they cannot realize the cost savings it offers. Finally, governments may not enact laws supporting electronic commerce should such transactions strip their citizens of rights that they have previously enjoyed.

Electronic signatures legislation must, therefore, balance the interests of these various groups without unduly favoring any of them: it must give electronic commerce the certainty it needs to grow while preserving the consumer protections that States have chosen to apply in paper-based commercial transactions.

The broad and bipartisan support enjoyed by this legislation is the surest sign that it has achieved its most important objective: It has struck a fair balance between competing interests that will ensure continued broad support for the growth of electronic commerce.

Mr. President, the Electronic Signatures in Global and National Commerce Act is a positive, confidence-creating tool that will allow the Internet to continue to develop towards its full potential as a conduit for information, communication and commerce. It will enable businesses and consumers alike to rely on digital signatures regardless of their physical location. Uniform standards for digital signatures will decrease costs while increasing certainty and consumer confidence. The value of these public benefits should not be underestimated.

In closing, I want again to thank Chairman BLILEY, and Ranking Member DINGELL in the House for all of their work. In the Senate, I note the hard work of the ranking member of the committee, Mr. HOLLINGS, Senator WYDEN, and others. Without their efforts this bill would not be before us today. I especially, again, recognize the incredible job done by Senator ABRAHAM, the original sponsor of the legislation, the original shepherd, the person who played a key and vital role in the formulation of these final agreements.

Given the importance of these issues to consumers, businesses and our global economy, I urge my colleagues to support this legislation.

I ask unanimous consent that a listing of the groups that support S. 761 be printed in the RECORD.

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

GROUPS THAT SUPPORT S. 761

1. Business Software Alliance.
2. Microsoft.
3. America Online.
4. Information Technology of America.
5. American Express Company.
6. DLJDirect.
7. American Bankers Association.
8. Citigroup.
9. Information Technology Industry Council.
10. American Electronics Association.
11. Fannie Mae.
12. Freddie Mac.
13. National Association of Realtors.
14. Oracle.
15. Cable & Wireless.
16. Sallie Mae.
17. US Chamber of Commerce.
18. Real Estate Roundtable.
19. Consumer Mortgage Coalition.
20. Mortgage Bankers Association.
21. Electronic Financial Services Council.
22. Intuit.
23. Federal Express.
24. National Association of Manufacturers.
25. Coalition for Electronic Authentication.
26. America's Community Bankers.
27. Investment Company Institute.

Mr. LEAHY. Mr. President, I am pleased that the Senate is finally going to be considering the conference report on S. 761, the Electronic Signatures and Global and National Commerce Act.

I wish to be compassionate this Thursday evening. Tomorrow when the delayed votes occur, I will be in Vermont. But I am never sorry to be in Vermont. I will regret missing the final tally. I was honored to serve as a conferee and to help develop the conference report. I signed the conference report. I supported final passage. I go back to my native State secure in the knowledge that this will pass overwhelmingly with strong bipartisan support.

The legislation is intended to permit and encourage the continued expansion of electronic commerce and promote public confidence in the integrity and reliability of online commerce. These are worthy goals—goals I have long sought to advance. For example, in the last Congress, many of us worked together to pass the Government Paperwork Elimination Act. That gave a framework for the Federal Government's use of electronic forums and also electronic signatures.

Many of us have worked together in a very successful, bipartisan effort to promote the widespread use of inscription and to relax outdated export controls in this critical technology for ensuring the confidentiality and integrity of online communications and storing of computer information. We have areas as diverse as enhancing copyright, to patent potential for technology, to addressing the problems of cybercrime. We have been able to work together in a constructive, bipartisan way to make real progress to allow electronic commerce to flourish.

The conference report is a product of such bipartisan cooperation. We all know there were some bumps along the way. At one point, industry representatives were warned against even speaking with Democrats. Fortunately, those warnings were not heeded, and the final product is bipartisan.

I commend Chairman BLILEY from the other body, and Chairman MCCAIN from this body, for making this a real conference in which all conferees—Republicans and Democrats—had an opportunity to air their concerns and contribute to the final report.

All of us might have written some provision differently. But the conference report is, as conference reports should be, a solid and reasonable consensus bill that brought in the best of each of us.

It will establish a Federal framework for the use of electronic signatures for contracts and records to preserve essential safeguards and protect consumers.

It is geared to the five basic principles articulated by the Democratic Senators in a letter dated March 28, 2000, which assures effective consumer consent for the replacement of paper notices with electronic notices.

It ensures that electronic records are accurate.

It enhances legal certainty for electronic signatures.

It avoids unnecessary litigation.

It avoids unintended consequences in areas outside the scope of the bill by providing clear Federal regulatory authority.

It avoids facilitating predatory or unlawful practices.

This is not rocket science. But they want to make sure the American people can trust the electronic world as they trust paperwork. The American public have enough concern when they go online. They worry whether their privacy will be protected and whether damage by a computer virus will hurt their computer, whether a computer hacker will steal personal information or adopt their identity, wreak havoc with their good name, or whether their children will meet a sexual predator. These are all drags on electronic commerce and show the people have to be concerned.

The AARP found that of consumers over the age of 45, half of them worry that electronic contracts will give them less protection than paper contracts. That is what we want to avoid.

The United States has been the incubator of the Internet throughout its infancy. And the world closely watches whenever we in our country debate or enact policies that affect the Internet. That is another reason why we must act carefully and intelligently when we pass Internet-related laws. The rest of the world watches and follows our example.

We have produced a charter for the next growth phase of e-commerce. This bill will be closely watched, widely read, and will be emulated across the world. Because of that and because most Americans want to make sure we can take our consumer laws for granted, we are presented the most significant consumer issues of a decade or longer. We have improved what the bill almost became considerably, to the benefit of consumers and in the interests of the smooth and sensible forward progress of Internet commerce.

This bill does strike a constructive balance. It advances electronic commerce but doesn't terminate or mangle the basic rights of consumers.

Mr. President, I am pleased that the Senate is finally considering the conference report on S. 761, ''The Electronic Signatures in Global and National Commerce Act''. I wish that we could pass it tonight. Tomorrow, when the delayed vote occurs, I will be in Vermont. While I am never sorry to be in Vermont, I will regret missing the final tally. I was honored to serve as a conferee and help develop the conference report. I signed the conference report and support its final passage. I go back to my native State secure in the knowledge that it will pass overwhelmingly.

This legislation is intended to permit and encourage the continued expansion of electronic commerce and to promote public confidence in the integrity and reliability of online promises. These are worthy goals, and they are goals that I have long sought to advance.

For example, in the last Congress, many of us worked together to pass the Government Paperwork Elimination Act, which established a framework for the federal government's use of electronic forms and electronic signatures. Many of us have worked together in a successful bipartisan effort to promote the widespread use of encryption and relax out-dated export controls on this critical technology for ensuring the confidentiality and integrity of online communications and stored computer information. In areas as diverse as enhancing copyright and patent protections for new technologies and updating our criminal laws to address new forms of cybercrime, we have been able to work together in a constructive, bipartisan way to make real progress on a sound legal framework for electronic commerce to flourish.

The conference report is the product of such bipartisan cooperation. I think we all know that there were some bumps along the way. At one point, industry representatives were warned against even speaking with any Democrats. But the final product is bipartisan. It is an example of Congress at work rather than at loggerheads. It is legislators legislating rather than politicians posturing and unnecessarily politicizing important matters of public policy.

I commend Chairman BLILEY and Chairman MCCAIN for making this a real conference, in which all conferees, Republican and Democratic, had an opportunity to air their concerns and contribute to the final report. We all might have written some provisions differently, but the conference report is a solid and reasonable consensus bill that will establish a Federal framework for the use of electronic signatures, contracts, and records, while preserving essential safeguards protecting the Nation's consumers.

The conference report adheres to the five basic principles for e-sign legislation articulated by the Democrat Senators in a letter dated March 28, 2000.

It ensures effective consumer consent to the replacement of paper notices with electronic notices.

It ensures that electronic records are accurate, and relevant parties can retain and access them.

It enhances legal certainty for electronic signatures and records and avoids unnecessary litigation by authorizing regulators to provide interpretive guidance.

It avoids unintended consequences in areas outside the scope of the bill by providing clear federal regulatory authority for records not covered by the bill's ''consumer'' provisions.

And, it avoids facilitating predatory or unlawful practices.

These principles are not rocket science but are simply intended to ensure that the electronic world is no less safe for American consumers than the paper world. The American public has enough concern when they go online. They worry whether their privacy will

be protected, whether a damaging computer virus will attack their computer, whether a computer hacker will steal their personal information, adopt their identity and wreak havoc with their good names, or whether their kids will meet a sexual predator. These worries are all serious drags on electronic commerce.

An AARP survey of computer users over the age of 45 released on March 31st found that almost half of respondents already think that electronic contracts would give them less protection than paper contracts, while only one-third believe they would have the same degree of protection. With this conference report, we have avoided aggravating consumers' worries. Companies doing business online want to reassure consumers and potential customers that their interests will be protected online, not heighten their concern about electronic commerce. Our conference report should be helpful in this regard.

Mr. President, the United States has been the incubator of the Internet through its infancy. The world closely watches whenever we debate or enact policies that affect the Internet, and that is another reason why we must act carefully and intelligently whenever we pass Internet-related laws. What we have produced here is the charter for the next growth phase of e-commerce, and this bill will be closely read and widely emulated. Because of the potential this bill had for eviscerating scores of basic state consumer protection laws that most Americans today take for granted, this bill also has presented us with perhaps the most significant consumer issues of a decade or longer—not for what, thank goodness, this bill is in its final form, but for what this bill nearly became in its earlier stages. To the benefit of consumers and in the interest of the smooth and sensible forward progress of Internet commerce, this bill largely strikes a constructive balance. It advances electronic commerce without terminating or mangling the basic rights of consumers.

Before I discuss specific provisions of the conference report, I note that I saw in the CONGRESSIONAL RECORD of the House proceedings a statement by Chairman BLILEY that is formatted like a managers' statement of a conference report. I feel I must clarify that those are Mr. BLILEY's views, not a statement of the managers. In fact, I saw it for the first time today, when I picked up the CONGRESSIONAL RECORD, and have not yet had a chance to study it thoroughly.

I will now describe how the conference report gives effect to the Democratic Senators' five basic principles.

First, the conference report will ensure informed and effective consumer consent to the replacement of paper notices and disclosures with electronic notices and disclosures, so that consumers are not forced or tricked into receiving notices and disclosures in an electronic form that they cannot access or decipher.

Under the House bill, a business could obtain a consumer's ''consent'' simply by specifying the hardware and software needed to access the notices and disclosures. This approach would have done little or nothing to protect technologically unsophisticated consumers, who may not know whether they have the necessary hardware and software even if the technical specifications are provided.

I maintained that any standard for affirmative consent must require consumers to consent electronically to the provision of electronic notices and disclosures in a manner that verified the consumer's capacity to access the information in the form in which it would be sent. Such a mechanism provides a check against coercion, and additional assurance that the consumer actually has an operating e-mail address and the other technical means for accessing the information.

Section 101(c) of the conference report requires the use of a technological check, while leaving companies with ample flexibility to develop their own procedures. The critical language, which Senator WYDEN and I developed and proposed, provides that a consumer's consent to the provision of information in electronic form must involve a demonstration that the consumer can actually receive and read the information. Section 101(c) also provides that if there is a material change in the hardware or software requirements needed to access or retain the information, the company must again verify that the consumer can receive and read the information, or allow the consumer to withdraw his or her consent without the imposition of any conditions, consequences or fees. In addition, prior to any consent, a consumer must be notified of his or her rights, including the right to receive notices on paper and any available option for reverting to paper after an electronic relationship has been established.

Senator GRAMM has criticized the conference report on the ground that its technological check on consumer consent unfairly discriminates against electronic commerce. But those most familiar with electronic commerce have never seriously disputed the need for a technological check. In fact, many high tech firms have acknowledged that it is good business practice to verify that their customers can open their electronic records, and many already have implemented some sort of technological check procedure. I am confident that the benefits of a one-time technological check far outweigh any possible burden on e-commerce, and it will greatly increase consumer confidence in the electronic marketplace.

Let me make special note of section 101(c)(3), a late addition to the conference report. Without this provision, industry representatives were concerned that consumers would be able to back out of otherwise enforceable contracts by refusing to consent, or to confirm their consent, to the provision of information in an electronic form. At the same time, however, companies wanted to preserve their autonomy as contracting parties to condition their own performance on the consumer's consent. For example companies anticipated that they might offer special deals for consumers who agreed not to exercise their right to paper notices. Section 101(c)(3) makes clear that failure to satisfy the consent requirements of section 101(c)(1) does not automatically vitiate the underlying contract. Rather, the continued validity of the contract would turn on the terms of the contract itself, and the intent of the contracting parties, as determined under applicable principles of State contract law. Failure to obtain electronic consent or confirmation of consent would, however, prevent a company from relying on section 101(a) to validate an electronic record that was required to be provided or made available to the consumer in writing.

I should also explain the significance of section 101(c)(6), which was added at the request of the Democratic conferees. This provision makes clear that a telephone conversation cannot be substituted for a written notice to a consumer. For decades, consumer laws have required that notices be in writing, because that form is one that the consumer can preserve, to which the consumer can refer, and which is capable of demonstrating after the fact what information was provided. Under appropriate conditions, electronic communications can mimic those characteristics; but oral notice over the telephone will never be sufficient to protect consumer interests.

Second, the conference report will ensure that electronic contracts and other electronic records are accurate and that relevant persons can retain and access them. Consumers must be able to retain electronic records and must have some assurance that they provide reasonable guarantees of the accuracy and integrity of the information that they contain.

Under section 101(e) of the conference report, the legal effect of an electronic contract or record may be denied if it is not in a form that can be retained and accurately reproduced for later reference and settlement of disputes. This means that the parties to a contract may not satisfy a statute of frauds requirement that the contract be in writing simply by flashing an electronic version of the contract on a computer screen. Similarly, product warranties must be provided to purchasers in a form that they can retain and use to enforce their rights in the event that the product fails.

Third, the conference report will enhance legal certainty for electronic signatures and records and avoid unnecessary litigation by authorizing Federal and State regulators to provide

interpretive guidance. Even with the representation on this conference of Members from committees of varied jurisdiction, we could not begin to think of every circumstance that might arise in the future as to which this legislation will apply. It was therefore essential to provide regulatory agencies with sufficient flexibility and interpretive authority to implement the statutes modified by the legislation.

Most importantly, the conference report preserves substantial authority for Federal and State regulators with respect to record-keeping requirements. In a letter dated May 23, 2000, the Department of Justice expressed concern that an early draft of the conference report, produced by certain Republican conferees, would ''seriously undermine the government's ability to investigate, try and convict criminals who alter or hide required records in programs such as Medicare, Medicaid, and federal environmental laws.'' The Department explained:

> Record Retention. As presently drafted, the bill leaves the public at risk for serious waste, fraud, and abuse. For example, under the current bill, there is nothing to prevent a Medicare contractor from retaining its financial records on a spreadsheet (such as Excel or Quattro Pro). However, because those programs generally contain no security features to monitor changes to the files they create, anyone could change one number on a spreadsheet, which would then change all other numbers affected by the impermissible entry, reflecting a financial picture different from the reality. The government could have its hands tied in seeking to establish rules to ensure that such records could not be altered.

The Department's concerns regarding the Federal Government were shared by the States, whose regulators need and deserve the same flexibility as Federal regulators. This is particularly true in areas where the States are the primary regulators, as they are with respect to insurance and State-chartered banks. Having pressed this point throughout the conference, I am pleased that the final report treats Federal and State regulators with equal respect, and that it has won the support of the National Conference of State Legislatures.

Under earlier drafts of this conference report, as in H.R. 1714 as passed by the House, a requirement that a record be retained could be met by retaining an electronic record that accurately reflected the information set forth in the record ''after it was first generated in its final form as an electronic record.'' By striking that final phrase, we made clear that agencies, through their interpretive authority, can ensure that electronic records remain accurate throughout the period that they are required by law to be retained. For additional certainty, we expressly authorized agencies to set performance standards to assure the accuracy, integrity, and accessibility of records that are required to be retained and, if necessary, to require retention of a record in paper form. We also delayed the effective date of the Act with respect to record retention requirements, to give agencies time to put in place appropriate regulations designed to assure effective and sustainable record retention, and to prevent companies from retaining materials in any easily alterable form that they chose until regulations are forthcoming. Together, these changes will avoid facilitating lax record-keeping practices that could impede the enforcement of program requirements, anti-fraud statutes, environmental laws, and many other laws and regulations.

Fourth, the conference report will avoid unintended consequences for laws and regulations governing ''records'' outside its intended focus on business-to-consumer and business-to-business transactions. I was seriously concerned that the sweeping legislation passed by the House would allow hazardous materials transporters to provide truckers with the required description of the materials via electronic mail, so that key information might not be available to clean-up crews in the event an accident disabled the driver. Similarly, I worried that the House bill would allow employers to provide OSHA-required warnings on a Web site rather than on a dangerous machine.

The conference report raises no such concerns. For one thing, it specifically excludes from its scope any documents required to accompany the transportation or handling of hazardous materials, pesticides, and other toxic or dangerous materials. For another thing, it expressly preserves all Federal and State requirements that information be posted, displayed or publicly affixed. In addition to allaying concerns about OSHA-warnings, this provision ensures that the bill will not inadvertently undermine Federal and State labeling requirements, such as requirements that poisonous products be labeled with the skull and crossbones symbol.

Perhaps more importantly, the scope of the legislation has been narrowed. As reported by the conference committee, the bill covers signatures, contracts and records relating to a ''transaction'' in or affecting interstate or foreign commerce, with the critical term—''transaction''—defined to mean ''an action or set of actions relating to the conduct of business, consumer, or commercial affairs between two or more persons.'' The conferees specifically rejected including ''governmental'' affairs in this definition. Thus, for example, the bill would not cover records generated purely for governmental purposes, such as regular monitoring reports on air or water quality that an agency may require pursuant to the Clean Air Act, Clean Water Act, Safe Drinking Act, or similar Federal or State environmental laws.

Fifth and finally, the conference report avoids the problem created by many earlier drafts, including the House bill, of potentially facilitating unfair and deceptive practices. It does this through a broad savings clause which clarifies that the bill does not limit any legal requirement or prohibition other than those involving the writing, signature, or paper form of a contract. Laws—including common law rules—that prohibit fraud, unfair or deceptive trade practices, or unconscionable contracts are not affected by this Act. A wrongdoer may not argue that fraudulent conduct that complies with the technical requirements of section 101(c) is beyond the reach of anti-fraud laws. By the same token, a consumer is always entitled to assert that an electronic signature is a forgery, was used without authority, or otherwise is invalid for reasons that would invalidate the effect of a signature in written form.

This legislation has come a long way in conference. It is far from the reckless bill it was in danger of becoming. Still, it is far from perfect. As a general matter, I believe it may still be unduly preemptive of State regulatory and record-keeping authority. It is ironic that the same Members who claim to be vigilant guardians of States' rights are so quick to impose broad Federal mandates on the States when it suits their political interests. The majority has failed to explain why the expansion of the Internet justifies jettisoning the federalist principles that have governed our Republic for more than two centuries. I have worked hard, in connection with this bill and others, to preserve State authority in areas traditionally reserved to the States, particularly where there is no conflict between the Federal goals and State jurisdiction. We should preempt State authority only when there is a demonstrated need to establish a national standard, and even then, only for as long as is necessary.

That being said, the conference report appropriately rejects the massively preemptive approach taken by earlier versions of this legislation, including the House-passed bill. As the National Governors' Association observed in a letter to Congress dated March 14, 2000, ''H.R. 1714's ambiguity with respect to preemption [was] very troubling''. It authorized States to ''modify, limit, or supersede'' the Federal statute by adopting the Uniform Electronic Transactions Act (UETA), but then rendered this authorization irrelevant by stating that no State law (including UETA) was effective to the extent that it was inconsistent with the Federal statute or technology specific.

By contrast, the conference report does not preempt the laws of those States that adopt UETA, so long as UETA is adopted in a uniform manner. Such exceptions to UETA as a State may adopt are preempted, but only to the extent that they violate the principle of technological neutrality or are otherwise inconsistent with the Federal statute. This affords States considerable flexibility; for example, a

State may enact UETA to incorporate the consumer consent procedures set forth in section 101(c).

In addition, section 104(a) of the conference report expressly preserves governmental filing requirements. Federal agencies are already working toward full acceptance of electronic filings, pursuant to the schedule established by the Government Paperwork Elimination Act. I am confident that State agencies will follow our lead. Until they are technologically equipped to do so, however, they have an unqualified right under section 104(a) to continue to require records to be filed in a tangible printed or paper form.

I have a number of other concerns about the conference report. In particular, I am troubled that the conference report fails to provide a clear Federal rule—or, indeed, any rule at all—concerning how it is intended to affect requirements that information be sent, provided, or otherwise delivered. The absence of a delivery provision is particularly conspicuous given the fact that the prototype for this legislation does include such a provision. Section 8(a) of UETA provides that if a law requires information to be sent in writing to another person (but does not specify a particular method of delivery), the requirement is satisfied if the information is sent in an electronic record that the recipient can retain. Under section 8(b), if a law requires information to be sent by a specified method—whether by regular U.S. Mail, express mail, registered mail, certified mail, or another method—then the information must be sent by the method specified in the other law, except that parties may contract out of regular mail requirements to the extent permitted by the other law. UETA also contains a detailed rule for determining when an electronic record is sent, and when it is received.

The conference report touches upon the issue of delivery in section 101(c)(2)(B), but only with respect to specified methods that require verification or acknowledgment of receipt, such as registered or certified mail. What happens to State law requirements that a notice be sent by first-class mail or personal delivery? How about a law that requires information to be provided, sent, or delivered in writing, but does not specify a particular method of delivery? I raised these questions during the conference, but the conference report provides few answers.

The conference report does provide some guidance in the case of States that enact UETA. In such States, section 8(a) of UETA will govern with respect to general delivery requirements, and section 8(b)(2) of UETA will govern with respect to requirements that information be delivered by a specified method, subject to section 102(c) of the federal legislation. Section 102(c) prevents States that enact UETA from circumventing the federal legislation through the imposition of new nonelectronic delivery methods. Thus, States enacting UETA may continue to prescribe specific delivery methods, so long as there is an electronic alternative for any nonelectronic delivery methods.

This leaves the question of how the Federal legislation will affect Federal delivery requirements and State delivery requirements in non-UETA States. Because our bill is silent on this question, and because repeal and preemption by implication are disfavored, a court or agency interpreting the legislation could reasonably conclude that these Federal and State delivery requirements remain in full force and effect. Indeed, this interpretation is practically compelled by the plain language of the legislative text. It does, however, have the potential to undermine one of our key legislative objectives—that is, the elimination of unintended and unwarranted barriers to electronic commerce. For this reason, it will be tempting to discern in this legislation some sort of plan to permit electronic delivery of information whenever delivery is required by law, even when the law specifies a particular method by which delivery must be made. Let me assure the courts and regulators that have occasion to read these words that this legislator had no such plan.

Had we in fact addressed this issue in conference, my goal would have been to ensure that any specific requirement that information be sent or delivered not be relaxed or weakened through this Act. I believe an electronic method of delivery should be at least as reliable, secure, and effective as the method it replaces. Thus, a law that requires information to be delivered to a person by first class mail should not be satisfied simply by posting the information on a Web site; at a minimum, the person must also be notified of the location and availability of the information. Nor is information delivered, in my view, if it is electronically posted for an unreasonably short period of time, or sent electronically in a manner that inhibits the ability of the recipient to store or print the information.

Having failed to address the issue of delivery, we may be compelled to revisit the issue at a later date. We will, by then, have the benefit of the Commerce Department's study under section 105(a) of the conference report, regarding the effectiveness and reliability of electronic mail as compared with more traditional methods of delivery.

Another troubling provision in the conference report appears at the end of section 101, and concerns the liability of insurance agents and insurance brokers. This provision appeared for the first time in a conference draft produced by the Republican conferees on May 15th. In its original incarnation, this provision gave insurance agents and brokers absolute immunity from liability if something went wrong as a result of the use of electronic procedures. This was not just a shield from vicarious liability, or even from negligence; rather, it was an absolute shield, which would protect insurance agents and brokers from their own reckless or even wilful conduct. No matter that insurance agents and brokers are perfectly capable of protecting themselves through their contracts with insurance companies and their customers. Senator HOLLINGS and I opposed the provision as unnecessary and indefensible as a matter of policy, and we succeeded in transforming it into a clarification that insurance agents and brokers cannot be held vicariously liable for deficiencies in electronic procedures over which they had no control. In this form, the provision remains in the bill as a stark reminder of the power of special interests.

Section 104(d)(1) is another political compromise that blemishes this conference report, although I believe its actual impact will be negligible. It provides that Federal agencies may exempt a specified category or type of record from the consumer consent requirements of section 101(c), but only if such exemption is ''necessary'' to eliminate a ''substantial'' burden on electronic commerce, and it will not increase the material risk of harm to consumers. While Chairman BLILEY indicated in his floor statement yesterday that this test should not be read as too limiting, the opposite is true. The test is, and was intended to be, demanding. The exemption must be ''necessary,'' and not merely ''appropriate,'' as Chairman BLILEY suggested. It should also be noted that the conferees considered and specifically rejected language that would have authorized State agencies to exempt records from the consent requirements.

Finally, I want to discuss the concept of technology neutrality that is so central to this bill. This legislation is, appropriately, technology neutral. It leaves it to the parties to choose the authentication technology that meets their needs. At the same time, it is undeniable that some authentication technologies are more secure than others. Nothing in the conference report prevents or in any way discourages parties from considering issues of security when deciding which authentication technology to use for a particular application. Indeed, such considerations are wholly appropriate.

Pursuant to the Government Paperwork Elimination Act, passed by the previous Congress, the Office of Management and Budget (OMB) has adopted regulations to permit individuals to obtain, submit and sign government forms electronically. These regulations direct Federal agencies to recognize that different security approaches offer varying levels of assurance in an electronic environment and that deciding which to use in an application depends first upon finding a balance between the risks associated with the loss, misuse or compromise of the information,

and the benefits, costs and effort associated with deploying and managing the increasingly secure methods to mitigate those risks.

The OMB regulations recognize that among the various technical approaches, in an ascending level of assurance, are ''shared secrets'' methods (e.g., personal identification numbers or passwords), digitized signatures or biometric means of identification, such as fingerprints, retinal patterns and voice recognition, and cryptographic digital signatures, which provide the greatest assurance. Combinations of approaches (e.g., digital signatures with biometrics) are also possible and may provide even higher levels of assurance.

In developing this legislation, the conference committee recognized that certain technologies are more secure than others and that consumers and businesses should select the technology that is most appropriate for their particular needs, taking into account the importance of the transaction and its corresponding need for assurance.

Mr. President, the benefits of electronic commerce should not, and need not, come at the expense of increased risk to consumers. I am delighted that we have been able to come together in a bipartisan effort in which Democrats and Republicans in the Senate and House are joining in s-sign legislation that will encourage electronic commerce without sacrificing consumer protections. I want to commend Senator HOLLINGS, Senator SARBANES and Representative DINGELL, the ranking Democrats on the other Committees participating in the House-Senate Conference, for their leadership and steadfast efforts on behalf of our dual objectives. I thank Chairman BLILEY and Chairman MCCAIN for allowing the conference process to work and to result in a report that so many of us can support. I also want to praise Senator WYDEN for his dedication to this project and for never losing sight of the need to create a balanced bill. It has been a privilege to work with all of these distinguished Members on this landmark legislation.

I am profoundly grateful to the Administration for its work on this legislation. Andy Pincus, Sarah Rosen Wartell, Michael Beresik, Gary Gensler, and Gregory Baer, in particular, have devoted countless hours to ensuring that the conference report will create a reasonable and responsible framework for electronic commerce.

I would also like to thank the Senate and House staff who worked so hard to bring this matter to a reasonable conclusion. On my staff, Julie Katzman and Beryl Howell. In addition, Maureen McLaughlin, Moses Boyd, Carol Grunberg, Marty Gruenberg, Jonathan Miller, Kevin Kayes, Steve Harris, David Cavicke, Mike O'Rielly, Paul Scolese, Ramsen Betfarhad, James Derderian, Bruce Gwinn, Consuela Washington, and Jeff Duncan—all deserve credit for their role in crafting the consensus legislation that the Senate passes today. Thanks, too, to House Legislative Counsel Steve Cope, for his technical assistance and professionalism throughout this conference.

This conference report enjoys strong bipartisan and bicameral support. It passed the House of Representatives yesterday by an overwhelming majority. It has been well received by industry and consumer representatives alike, by the States as well as by the Administration. I urge its speedy passage into law.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. ABRAHAM. Mr. President, I am proud to rise this evening to discuss legislation that I am very confident we will pass tomorrow—the conference report to S. 761, the Electronic Signatures and Global National Commerce Act. This is the culmination of nearly two years' effort, and I deeply appreciate all of the generous assistance on the part of my colleagues who helped move this bill through the legislative process.

I believe that hindsight will prove this to be one of the most important pieces of legislation to emerge from the 106th Congress. This legislation will eliminate the single most significant vulnerability of electronic commerce, which is the fear that everything it revolves around—electronic signatures, contracts, and other records—could be rendered invalid solely by virtue of their being in ''electronic'' form, rather than in a tangible, ink and paper format.

This bill will literally supply the pavement for the e-commerce lane of the information superhighway. What we do today truly changes tomorrow, and I am certain that this legislation will prove to have a tremendous positive impact on electronic commerce—and on the general health of our economy—for decades to come.

Mr. President, thanks to the development of secure electronic signatures and records, individuals, businesses, and even governments are increasingly able to enter transactions without ever having to travel—whether the travel is a short drive across town or a thousand-mile flight. They are turning on a computer and opening e-mail, rather than scheduling drop-offs at mailboxes or pick-ups from courier services.

They are able to transact now, rather than ''tomorrow, before 10AM'', or over the next few days, depending on mail volume (and, of course, except for on Sunday). They are paying transactions costs in the fractions of cents, rather than in 33 cent increments. And as we move forth into the electronic world, ''they'' will increasingly include even the smallest businesses and consumers, who will find themselves able to take advantage of many of the technologies and efficiencies available only to the largest of firms.

Even now, consumers are realizing the time and cost benefits of electronic commerce at a rapidly escalating rate. On-line catalogs are everywhere, all the time, and always in competition to provide the best service at the lowest price. And for the average family in America, on-line lending and real estate brokerage services are making the most significant of all purchases—the purchase of a family home—available over the Internet. Changes to home-buying over the near term will be dramatic. Rapid document and service delivery will reduce a transaction typically measured in days or weeks to minutes or hours, and the ability of a consumer to quickly assess the rates offered by scores of lenders will increase competition and lower mortgage costs and rates for every consumer. Mr. President, Franklin Raines, the Chairman and CEO of Fannie Mae, told an investor conference in May that ''. . . the application of electronic commerce to the U.S. mortgage finance industry should help the U.S. homeownership rate reach 70 percent over the next decade.'' Mr. President, and Chairman Raines, I look forward to that future.

But for e-commerce to continue growing, we must have a consistent, predictable, national framework of rules governing the use of electronic signatures and records. Current legal inconsistencies are deterring businesses from fully utilizing electronic signature technologies. And the ability of one court, in one jurisdiction, to rule against the validity of a contract solely because of its electronic form threatens to destabilize the entirety of electronic commerce—bringing down the whole house of cards.

The National Conference of Commissioners on Uniform State Law has developed a uniform system for the use of electronic signatures. Their product, the Uniform Electronic Transactions Act, or UETA, is an excellent piece of work and I look forward to its enactment in all fifty states. But as some state legislatures are not in session next year, and as other states face more immediately pressing issues, it will likely take three to four years for all the states to enact the UETA.

That is a long time in the high-technology sector—far too long to permit, when this Congress possesses the ability to bridge the gap.

With this in mind, Mr. President, in November of 1998—shortly after the passage of the first electronic signature legislation, the Government Paperwork Elimination Act, which I also co-authored with my friend, Senator WYDEN—I initiated a series of discussions with both industry and states for the purpose of developing a plan to foster the continued growth of electronic signatures and electronic commerce. In January of 1999, my staff had produced draft legislation which I invited Chairman BLILEY to consider introducing in the House of Representatives. Over the next several months, Senator WYDEN and I worked with Republicans and Democrats in both chambers to refine this legislation. On March 25 of 1999,

Senators WYDEN, MCCAIN, BURNS, LOTT, and I introduced the ''Millennium Digital Commerce Act'' (S. 761); Representative ANNA ESHOO introduced the House companion later that day. My staff continued to consult with Chairman BLILEY in order to refine our substantive approach to this issue, and his electronic signature legislation, H.R. 1714, was introduced on May 6, 1999. As I noted, S. 761 was the first electronic signature bill introduced in the 106th Congress. Thanks to the gracious assistance of Chairman MCCAIN, our bill received its first hearing in the Senate Commerce Committee on May 27 of last year. On June 23 it was passed out of the Commerce Committee on a unanimous 19–0 vote. I would note that the version of the bill passed out by the Committee included provisions regarding both electronic signatures and electronic records.

During the fall of 1999, we made several attempts to pass this bill by unanimous consent agreement in the Senate, but unfortunately, we were unable to proceed because several Members had concerns relating to the inclusion of electronic records in the legislation. Given our need to accommodate the Senate's schedule, we made a decision to pass a substitute bill that excluded the records provisions, and the Abraham-Wyden-Leahy substitute amendment passed the Senate unanimously on November 19, 1999.

At the time the Senate passed S. 761, Senator LOTT and I made clear our intention to work for inclusion of electronic records provisions in the final bill. I am pleased to say that with much effort, the bill is being passed today as conceived nearly two years ago—granting legal certainty to both electronic records and signatures.

Mr. President, at this point I would like to speak to several of the key principles of this legislation, which I believe will provide the legal framework needed for the continued growth of e-commerce.

The general rule of this legislation ensures the legal certainty of e-commerce in very clear, targeted terms: ''a signature, contract, or other record . . . may not be denied legal effect, validity, or enforceability solely because it is in electronic form''.

Mr. President, the word ''solely'' is pivotal in this context: it means that electronic writings are not to be discriminated against, but instead are to be judged according to existing principles of contract law.

With this language, the ''achilles heel'' of all of e-commerce is protected—the ''electronic'' nature of a contract will not be used to attack the validity of a contract.

Mr. President, I view this as my single most important contribution to the future of electronic commerce, and would like to thank Senators MCCAIN, WYDEN, GRAMM, and HATCH for their counsel and support in writing this section of the legislation.

This section of the legislation was added to ensure that no ambiguity existed with respect to our treatment of existing contract law. Although we strongly believe that our General Rule is formulated in the least onerous incarnation, Section 101(b) clarifies that principles of contract law, which have been established over a millennium of commerce, remain in effect and should continue to guide transactions nationwide. It is the strong belief of the conference that the decision whether or not to participate in electronic commerce is completely voluntary, and if the parties decide to do so, the bill grants parties to a transaction the freedom to determine the technologies and business methods to employ in the execution of an electronic contract or other record.

Under the consent provisions, a consumer must affirmatively consent to the provision of records in electronic form, and there must be a reasonable demonstration that the consumer can access electronic records. For the immediate future, the conference envisions this ''electronic consent'' to take the form of either a web-page based consumer affirmation, or a reply to a business' electronic mailing which includes an affirmation by the consumer that he or she could open provided attachments. I eagerly await future technology developments that render the burdens this section imposes on consumers and businesses obsolete.

This provision, in combination with the simple fact that the use of electronic records by a consumer and right to contract generally are completely voluntary, should ensure that no consumer will be forced by any business to accept any electronic document that the consumer does not wish to receive.

It is well worth noting that the term ''consumer'' does not include business-to-business transactions, which will allow businesses to take full advantage of the efficiency opportunities presented by this legislation.

As I have noted, the central purpose of this legislation is to establish a nation-wide baseline for the legal certainty of electronic signatures and records. The States themselves have recognized the need for uniformity in laws governing e-commerce, and in July of last year, the National Conference of Commissioners on Uniform State Law (NCCUSL) reported out model legislation designed to unify state law in a market-oriented, technology-neutral approach. I believe that the eventual adoption of UETA by all 50 states in a manner consistent with the version reported by NCCUSL will provide the same national uniformity which is established in the Federal legislation. For that reason, and at my insistence, when a state adopts the ''Uniform Electronic Transactions Act'' (UETA) as reported by NCCUSL, the federal preemption provided in this bill is superceded. In the meantime, the preemption contained in the Federal Act will ensure a uniform standard of legal certainty for both electronic signatures and electronic records.

Mr. President, I would like to address two additional points related to preemption. First, UETA includes a provision that permits a state to prescribe ''delivery methods'' for various records. I saw this as a potential loophole to the bill, which would allow a state to circumvent the intent of the general rule and require that an electronic document be delivered via physical methods—most likely ''first class'' mail. It should be clear to all that the federal legislation would not permit such a delivery method requirement, and we have specified as much in the preemption section. Second, I believed that the House version of the preemption was unnecessarily overbroad, and went so far as to seriously hamper the ability of a state or local government to perform those governing functions entrusted to it by the citizens. I am pleased that the conference agreed with my opinion, and that the language was changed in response.

The ''consumer protection'' provisions of this legislation specify that any notice of product recalls or cancellation, or termination of utility services, among other items, are to be excluded from the scope of this legislation. This means, of course, that the validity of these notices may be denied solely because they are in electronic form. I hope that industry does not shy away from providing these notices electronically—as well as in paper—as it seems to me that electronic ''anyplace, anytime'' notification of a product recall or utility shutoff would be extremely valuable. Especially to a resident of northern Michigan on business or vacation travel, whose furnace was subject to recall during the dead of winter.

Mr. President, because of the benefits of ''anyplace, anytime'' notice—and especially in light of the strong consent provisions in the bill—I believe consumers should be free to choose to receive any type record electronically, even those expressly precluded in this legislation. I hope the appropriate regulatory agencies will utilize the authority granted in this bill to allow all records, even those precluded from electronic transmission by this legislation, to be sent electronically.

The Legislation does not prevent states from establishing standards for electronic transactions with their constituents. Just as the Government Paperwork Elimination Act provided the Federal government the authority to set standards for electronic regulatory filing and reporting, so too should the States have the ability to set standards for electronic submission with a State or political subdivision. And, like any business, the Federal government and the States also have the ability to establish procedures and standards for procuring goods and services online.

The bill directs the Department of Commerce and Office of Management and Budget to report on Federal laws and regulations that might pose barriers to e-commerce and report back to

Congress on the impact of such provisions and provide suggestions for reform. Such a report will serve as the basis for Congressional action, or inaction, in the future.

This was one of the final sections of the language to be modified in response to my concerns. The original proposal by the Administration to deny legal validity for records required to be retained by Federal or State law or regulation until October 1, of 2001 was, in my opinion, needlessly excessive and punitive to those consumers and businesses prepared to leap now into the electronic age. I maintained that Federal and State agencies should be provided only six months time to develop standards to ensure document validity and integrity, so as to not inappropriately burden the private sector. Objective individuals outside the process with experience in developing and implementing regulations at the Federal and State level assured me that six months was feasible. In the end, however, we effectively agreed upon an eight-month delayed implementation. And finally, language which House negotiators insisted upon which would have needlessly created an uneven playing field for the financial services industry was also dropped at my request.

Since the Internet is inherently an international medium, consideration must be given to the manner in which the U.S. will conduct business with overseas governments and businesses. This legislation therefore sets forth a series of principles for the international use of electronic signatures. In the last year, U.S. negotiators have been meeting with the European Commissioners to discuss electronic signatures in international commerce. In these negotiations, the U.S. Department of Commerce and the State Department have worked in support of an open system governing the use of authentication technologies. Some European nations oppose this concept, however. For example, Germany insists that electronic transactions involving a German company must utilize a German electronic signature application. I applaud the Administration for their steadfast opposition to that approach. This bill will bolster and strengthen the U.S. position in these international negotiations by establishing the following principles as the will of the Congress:

One, paper-based obstacles to electronic transactions must be eliminated.

Two, parties to an electronic transaction should choose the electronic authentication technology.

Three, parties to a transaction should have the opportunity to prove in court that their authentication approach and transactions are valid.

Four, the international approach to electronic signatures should take a non-discriminatory approach to electronic signature. This will allow the free market—not a government—to determine the type of authentication technologies used in international commerce.

Mr. President, it is my hope that adoption of these principles will increase the likelihood of an open, market-based international framework for electronic commerce.

Mr. President, two years ago I believed that if we, as a body, could maintain a spirit of bipartisanship and a strong commitment to principles of free commerce, that we were poised to produce the landmark accomplishment of this Congress. Well we took these commitments seriously, and I believe our work product will be hailed for generations to come as the grounds upon which the dream of a prosperous new economy became a reality—and well beyond our expectations.

I am pleased to say that we have already begun work on the next legislative effort to help this nation shift to the electronic world, addressing the apportionment of liability for violations of duty and trust, and the protection of information and user confidentiality in electronic commerce. Mr. President, I welcome the help of my colleagues who have been with me in the effort to protect electronic signatures and records, I look forward to again working closely with the states and industry, and I hope to deliver to the American public corresponding legislation that is as well-contemplated and effective as S. 761 in the next Congress.

Before I close, there are a number of individuals whom I would like to thank for their hard work, and without exception, for their endurance. First, I would like to recognize Chairman MCCAIN for his assistance and dedication to this effort. The Chairman was one of the original cosponsors of this legislation, and lent a great deal of support well before any of the current attention was being paid to the issue of the legal certainty of electronic commerce. Senator MCCAIN's constant momentum eliminated many obstacles over the past 18 months and kept this process moving forward.

Without his efforts and those of Mark Buse and Maureen McLaughlin of the Senate Commerce Committee staff, I certainly wouldn't be making this statement today.

I would also like to sincerely thank my friend, Senator PHIL GRAMM, Chairman of our Banking Committee, whose dedication to those important principles of economic freedom was a key ingredient in guiding our legislation through the past year and a half.

The expertise which he and his staffers Geoff Gray and Wayne Abernathy brought to the table was absolutely indispensable. Senator GRAMM ensured that this legislation's propound impact on the financial services industry will be a positive one.

I also want to acknowledge our Judiciary chairman, Senator HATCH, who I understand will not be participating in the final vote on this legislation tomorrow due to another commitment, but he and his staff likewise worked very closely with us throughout this effort.

The support and counsel of Senator WYDEN, my partner in introducing this bipartisan bill last year, has also been essential to bridging the conceptual differences between colleagues on both sides of the aisle. Despite the different approaches we occasionally endorsed, I could always count on his sincere efforts to find common ground on this legislation. Senator WYDEN and his legislative director, Carole Grunberg did yeoman's work on this bill, and for that I wish to express my true appreciation.

I also commend Senator PAT LEAHY and his counsel, Julie Katzman for their contributions to this bill. Indeed, we worked hard in putting together the ingredients that made up the Senate version of this legislation, the final amendment which was adopted by the Senate when we passed this last year. Senator LEAHY's continuing interest, involvement, and support were very important to our success.

I must also express my gratitude to the Senate leadership for their patience as well as their persistence in moving this legislation. I truly appreciate the assistance of Dave Hoppe, Jack Howard, Jim Sartucci, and Rene Bennett of the Senate Majority Leader's staff.

I would also like to give thanks to Massachusetts Governor Paul Cellucci for his assistance and support through the process of drafting this legislation. Massachusetts should be proud of the work done by their Governor and his staff on this bill, especially the Governor's Special Counsel for e-commerce, Daniel Greenwood, to assure that state and federal law governing e-commerce are complimentary.

Finally, I would like to recognize the efforts of three members of my own staff who are here tonight. My legislative assistant, Kevin Kolevar, my Judiciary Committee Counsel, Chase Hutto, and my Administrative Assistant Cesar Conda.

I thank them for their tireless efforts and loyalty, and recognize they possess both the tremendous vision necessary to conceive of this legislation back in November of 1998, and the dedication to bring it to the point of final passage today.

I would just indicate that without these three gentleman and their hard work, numerous impasses that seemed to have doomed this legislation would not have been surmounted. Their willingness to creatively examine the problems we were confronting and come up with new approaches that offered all the participants an opportunity to work together to find a common ground were absolutely indispensable to this success. I certainly can attest to the long hours that were put in by these individuals to make sure that we completed this project and that we are in a position to pass this legislation.

As people look back on this effort, and I think they will with a sense that

this was an important achievement, all three of these individuals will be accorded the praise they deserve for their efforts.

In closing, let me urge my colleagues to support final passage of the conference report tomorrow morning. I believe that we are passing a very important, landmark piece of legislation that will provide a stimulus to the new economy the likes of which we have not previously seen. I believe it is one of the most important steps we can take as a Congress to remove some of the barriers and impediments that might prevent us from fully enjoying the benefits of the new technologies, and I believe that as it becomes the law of the land, and subsequently as it is used as a basis for the entering into of transactions through e-commerce, we will look back on these achievements with great pride. I am happy to have been part of it. I thank all of my colleagues who made this possible.

Mr. ROBB. Mr. President, I rise today in strong support of the conference report on the Millennium Digital Commerce Act, a bill which I believe will help us remove one of the most imposing barriers to the growth of electronic commerce—the lack of a way to verify the validity of contracts entered into over the web.

As the Internet becomes more ubiquitous in society and the lines between paper and electronic worlds blur, it is crucial that we find ways to adapt older regulatory structures such as contract law to the new world of Internet commerce. By providing a framework for digital signatures, the Millenium Digital Commerce Act will do just that, and I'm pleased that we're about to send it to the President's desk for signature.

I'm particularly pleased that the conferees were able to work through some of the complicated consumer protection issues on this bill. Throughout the conference negotiations, there were those who suggested that we should use this bill to relax some of our most important consumer protection laws. I appreciate the efforts of Senators LEAHY, MCCAIN, ABRAHAM and others in working to temper these efforts, and believe that the final product is much better for it.

While I strongly support this legislation, I regret that a prior commitment will prevent me from being here tomorrow to vote in favor of it. In my absence, I urge each of my colleagues to support this landmark agreement, which will help the Internet realize its full potential.

Mrs. BOXER. Mr. President, last night the other body overwhelmingly approved the conference report accompanying S. 761, the Electronic Signatures in Global and National Commerce Act, by a vote of 426–4. The Senate is expected to take the report up soon.

I support the conference report on S. 761 because paper-less transactions will give our Information Age economy a boost, and allow persons to shop for goods and services once unavailable on the Internet.

The ability to make binding contracts online, that reach across state borders, will drive down transaction costs. The financial industry alone expects to save millions of dollars a year due to efficiencies derived from electronic signatures.

Consumers will save money and time, also. With electronic signatures persons will no longer need to sign certain contracts in person or communicate via mail. Now, persons will be able to enter into contracts and purchase items, like care loans, from the comfort of their own homes. Certainly, consumers will save money with this new level of competition, and save time conducting their daily affairs.

As people are able to conduct more and more business transactions online, I think we'll look back one day and try to remember what it was like without electronic signatures.

Mr. President, I look forward to this bill becoming law.

Mr. GRAMM, Mr. President, I rise today in support of the conference report on S. 761, the Electronic Signatures in Global and National Commerce Act, also known as the E–SIGN bill. The bill establishes a uniform national standard for treating electronic signatures, contracts and disclosures are legally binding in the same way that physical signatures, paper contracts and paper disclosures are legally binding. The bill will allow American businesses to become more efficient and productive through use of the Internet and other forms of electronic commerce, rather than being forced to use paper for all binding agreements. Further, it will expand for consumers everywhere the availability of products and services as well as permit tremendous time savings. With consumers no longer bound by expensive and time-absorbing requirements to complete transactions through the mail or in person, consumer costs will decline and choices will grow. Working from home computers, people will increasingly be able to pay bills, apply for mortgages, trade securities, and purchase goods and services wherever and whenever they choose. The reach of the consumer will extend around the globe.

Mr. President, Senator SPENCER ABRAHAM deserves the lion's share of the credit for this legislation. He began this process back in 1998, fathering not only the Senate bill, but subsequently generating interest on the House side. He continued providing technical and drafting assistance throughout the process. Without Senator ABRAHAM's persistence, and his clear, constant vision of what we need to accomplish, there would be no bill.

This legislation will have a profound impact on the financial services industries. ''Electronic records'' is the term in the legislation that would encompass the disclosures that banks and other financial services companies must provide to consumers. Unlike the Senate bill, the House-passed bill included references to ''electronic records'' throughout the provisions of the bill. By including electronic records along with electronic signatures, the House bill extended the scope of the bill to cover disclosures required under various laws and regulations.

Far more than other industries, financial services companies such as banks, insurance companies and securities firms are impacted by these disclosure laws. Not only these industries, but these disclosure laws themselves fall under the jurisdiction of the Banking Committee. I am pleased that members of the Banking Committee were able to serve on the conference committee to ensure that these provisions were drafted in an appropriate and workable fashion.

There remain some problems with the bill, but I do not believe them to be overwhelming. There are those who are fearful of the electronic market place, and that fear found its expression in the debates in the conference committee. It found its expression in provisions in this bill that apply standards to electronic commerce that are not applied to paper commerce. That is not unusual. Every major technological advance has met with fear before its full benefits were embraced. It may seem odd, but not over one hundred years ago there was a very spirited congressional debate about whether it was safe to buy an automobile for transporting the President. Voices were loudly raised in Congress that automobile transportation was not safe, that it was too risky to let the President be transported in anything other than a horse-drawn carriage. Governments passed restrictions on automobile use that should silly to us today.

I believe that many of the fears that have been raised about electronic commerce will very soon sound silly. In fact, many of them do not make much sense today. That is why I am pleased that this legislation will allow the regulators to remove many of these onerous restrictions if the fears prove unfounded, as I expect that they will. And as I expect the fear to prove unfounded, I expect the regulators to act vigorously to remove unnecessary restrictions and requirements. Electronic commerce should labor under no greater regulatory restrictions than does the quill pen, if this is to be a system for the twenty-first century.

We will watch very closely the development of electronic commerce. If this legislation proves to put an unnecessary burden on electronic commerce, and if the regulators fail to act, or if legislation is needed, we will then take vigorous action in the Congress to correct the situation and make the purposes of this legislation a reality.

Mr. LAUTENBERG. Mr. President, this bill includes a critical measure to make .08 the national drunk driving standard.

Chairman SHELBY and I both care deeply about improving transportation

across this country, but we also share a commitment to making sure our transportation systems are as safe as possible. One of the most important things we can do to keep our families safe on our nation's roads is to keep drunk drivers off those roads.

Mr. President, the Senate already voted in favor of the .08 standard in 1998. The Senate overwhelming passed the Lautenberg-DeWine .08 amendment to TEA–21 by a vote of 62–32.

But, ultimately, the American public did not get the safety legislation that they deserved when a national .08 standard was not included in the final TEA–21 conference report that was sent to the President.

The TEA–21 conference report removed the Senate-passed .08 standard and replaced it with an incentive grant program, that, while well intentioned, frankly is not working. Only two states have passed .08 BAC since TEA–21 was enacted two years ago and it seems very unlikely that any other state will be motivated by the incentive grants over the next few years.

Mr. President, we have learned with other effective drunk driving legislation such as the minimum 21 drinking age and zero tolerance that weak incentive programs do not work—but national standards do.

I would assure my colleagues that the .08 provisions in this bill today do not alter the TEA–21 incentive grant program. So if your state is receiving incentive grant funds, you will continue to receive every cent you are entitled to under the current program.

For over a decade—in both Republican and Democratic Administrations, the National Highway Traffic Safety Administration has been telling Congress that the .08 standard is the best way to ensure safety on our roads and lower the number of fatalities which result from drunk driving.

In fact, the National Highway Traffic Safety Administration (NHTSA) estimates that a national .08 standard will save approximately 500 lives per year.

Make no mistake—drivers at .08 are drunk and should not be on the road. According to NHTSA, at .08, drivers are impaired in their ability to steer, brake, change lanes, use good judgment and focus their attention.

Their ability to perform these critical tasks may decrease by as much as 60 percent.

We must keep these drivers off the road in order to keep our families safe.

I am grateful to my colleagues for including the .08 provisions in this bill today. Now we look to the House of Representatives to follow our lead and work with us to produce a conference report that retains this critical safety legislation.

I yield the floor.

Mr. HOLLINGS. Mr. President, I rise to speak in favor of the passage of the conference report on S. 761, the electronic signatures bill. This legislation was originally considered and reported by the Commerce Committee. The initial purpose of the legislation was to legalize the use of digital signatures for contracting electronically, mostly via the internet. The States for several years had been working on adopting a model law—the Uniform Electronic Transaction Act (UETA)—which was to be adopted by the States for the purpose of creating uniformity. This process was to be akin to the adoption of the Uniform Commercial Code (UCC). However, a number of industries, most notably those in the high-tech field, felt that it could take years for all States to adopt the model law. Thus, they sought Federal preemption. Bills eventually were introduced in both Chambers. Senator ABRAHAM introduced the legislation in the Senate, and Congressman BLILEY introduced legislation in the House (H.R. 1714).

As noted, the Senate bill—introduced on March 25, 1999—was referred to and considered by the Commerce Committee. After holding a hearing on May 27, 1999, the committee reported the bill on June 23, 1999. At that time, we were advised that the general purpose of the bill was to establish a Federal temporary and backup law, so as to ensure the national use of electronic signatures until the model law was adopted by the States.

During the committee's consideration of S. 761, I indicated that I did not have a problem with establishing uniformity; however, because the legislation ultimately affects State contract law, I was concerned about preserving the right of States to adopt their own laws, given that States already were working on the adoption of a model law. In the field of commercial law, the States had a similar experience with the UCC. Thus, I saw no reason to prevent the States from adhering to the same process with respect to digital signatures. I made it clear to Senator ABRAHAM that I would not support the bill—in fact, that I would seek to block its passage—if the legislation did not preserve the autonomy of States to adopt the model law that they were considering. I also sought to make sure States were able to adopt the model law in a manner consistent with their consumer protection laws. Senator ABRAHAM and I were able to come to an agreement so as to ensure that the legislation, as reported by the committee, was consistent with these principles. The legislation was unanimously reported by the committee on June 23, 1999.

Once reported, Senator LEAHY worked to procure a number of changes designed to ensure the non-applicability of the bill to certain agreements, including marital and landlord tenant relationships. The legislation was passed by the Senate on November 19, 1999.

I should note that before final passage of the bill, I objected to its passage by unanimous consent because of the inclusion of language providing that the legislation applied to the business of insurance. I objected because that language was not in the Senate bill as reported by the Commerce Committee, but more significantly, I objected because insurance companies are regulated by the States. Because the matter had not been addressed by the Commerce Committee, and because insurance is under the jurisdiction of the Commerce Committee, I wanted some clarification on the issue, and assurance that the issue of State insurance regulation would be addressed in the legislative conference on the bill. Senator ABRAHAM, through a colloquy, agreed that the issue would be addressed during conference discussions.

The House bill—H.R. 1714—was passed last November as well. It, however, was more extensive, and severe, than the Senate bill. It did not provide regulatory flexibility to the States to allow them to adopt the model law in conformance with their consumer protection laws; it included provisions regarding Government electronic filing and record keeping—which was beyond the original purpose of the legislation; and provisions specifying the manner in which consumers' consent could be obtained for the use of electronic signatures. Reservations and opposition to the bill were heard from state officials and the consumer community.

These groups had a right to be concerned about the bill. The legislation, pursuant to its ''consent provisions'' would have allowed consumers to be easily induced into giving their consent to contract electronically, even if they didn't own or have access to a computer. In other words, pursuant to certain inducements by a commercial entity—i.e., through an offer that the consumer could get the product cheaper if he or she agreed to a transaction electronically—consumers could have been placed in positions whereby they walked away from a commercial agreement in person without any paper or documentation and potentially no means of accessing the actual contents of the agreement later, including any additional notices or disclosures they're required to receive with consumer purchases. With respect to the record retention requirements that states impose on commercial entities, such as insurance companies, the legislation, would have substantially undermined the ability of States to ensure that businesses retained important documents, such as financial statements and records, and that States retained access to those documents.

The conference discussions on the bill began between the Senate and House immediately after the Senate conferees were appointed in March of this year. Subsequently, however, the majority staff of the Senate and House began to convene among themselves. On May 15, the majority presented a draft conference agreement to the Democratic Members. After reviewing the document, I made it clear that not only would I not support the proposal, but if offered up, I would do all I could to kill the measure. I should note, however, that every other Democratic

Member of the conference—Senators LEAHY, SARBANES, WYDEN, KERRY, INOUYE, and ROCKEFELLER as well as Congressman DINGELL and Congressman MARKEY—in addition to the administration, opposed the measure. In light of this opposition, the majority Members, and the high-tech industry, knew they would not achieve passage of the proposal.

The problems with the draft include the following:

Similar to the House bill, it would have allowed businesses to induce consumers into signing and consummating contracts electronically even in face to face transactions. Consequently, a person could walk away from a major agreement without any paperwork. The actual agreement would have been e-mailed to the purchaser. In that situation, however, the consumer would have no way of proving that the document that he or she received by e-mail is the deal that he or she actually agreed to. Moreover, there would be no paperwork on warranties and no guarantee that a person could access the documents if that person doesn't own a computer or doesn't have the proper computer software of hardware.

Additionally, the draft provided that after a consumer consented, in the event a company changed the hardware or software that prevented the consumer from receiving or reviewing the document, the burden would have been on the consumer, not the company to purchase the correct hardware and software.

The draft also included the onerous record retention provisions of the House bill.

After the draft was rejected by the Democratic Members, I suggested to my friend, TOM BLILEY, the chairman of the Conference, that the only way a bill was going to pass this year was that it had to be an agreement of a bipartisan nature. Given that Congressman BLILEY's bill was so far different from where most Democrats were, I knew that if we could come to an agreement, we could achieve a bipartisan measure. He agreed. I suggested that he meet with a group of Democratic Members and the representatives of the administration to develop a bipartisan draft to present to the conference. He agreed to this recommendation as well. Subsequently, his staff met with Democratic staff members and representatives of the administration and eventually constructed a bipartisan Conference draft. That document included major revisions of the consumer consent, preemption and record retention provisions. Those provisions provided significantly more protections to consumers and protections of state regulatory authority.

When the draft was first presented to the conference, there were objections. However, it led to a second bipartisan discussion between the Democratic Members, along with the Administration and the two Republican principals, Congressman BLILEY and Senator MCCAIN—who also recognized the need for a bipartisan consensus. Through the efforts of Senator MCCAIN, we eventually were able to agree on a final draft of the bipartisan measure.

I am proud to say that the final conference report includes major protections for consumers and the States. Does it include all I would have liked for it to? Of course not. However, it does represent a commendable effort by Republican and Democratic conferees to put forth a law that accomplishes the original goal of establishing a legal framework for the new digital world, while maintaining important protections for American consumers. I have joined with Senators SARBANES and WYDEN introducing an explanatory statement of the legislation, which details how the bill affects consumers and State governments. I would, however, like to highlight a few important provisions:

(1) The agreement ensures that consumers, when giving consent to do a transaction electronically, before their consent can be valid, must be informed of their right to receive records in paper, and of the right to withdraw their consent once given, and that there be some demonstration that the consumer can actually access and retain the document.

(2) It ensures that consumers are able to withdraw consent to receive their required notices under the contract in the event the provider changes the hardware or software in a manner which prevents the consumer from accessing and retaining the document, without costs and fees.

(3) It preserves state unfair and deceptive trade practices laws, so as to ensure that the use of electronic signatures and electronic transactions cannot be used to evade the requirements and prohibitions of these laws.

(4) It preserves important aspects of Federal and State record retention laws and requirements, and gives States some reasonable time to conform their regulations in light of the legislation's affirmation of electronic record retention by regulated industries.

Mr. President, I would like to commend Congressman BLILEY, and Senator MCCAIN for their efforts to forge an agreement on the legislation. I also want to commend all my Democratic colleagues and their staff, and the representatives of the administration for their admirable work on this legislation.

Mr. SARBANES. Mr. President, I am very pleased to be able to bring to the floor of the Senate this conference report of S. 761, the Electronic Signatures in Global and National Commerce Act, along with my colleagues from the Commerce and Judiciary Committees.

First and foremost, the success of this effort is the result of the leadership of Chairman BLILEY and Chairman MCCAIN. Their commitment to working in a bipartisan manner ultimately carried the day.

I also want to thank Senator HOLLINGS, Senator LEAHY, Senator WYDEN, and Representative DINGELL. Without the leadership exhibited by these 4 members, and the long hours, hard work, and dedication of their key staff (Moses Boyd, Kevin Kayes, Julie Katzman, Carol Grunberg, Consuela Washington, and Bruce Gwinn) we would never have reached this agreement.

Finally, the Administration, through its representatives from the Commerce and Treasury Departments (Andy Pincus and Gary Gensler), as well as the White House (Sarah Rosen-Wartell), played a crucial and constructive role in putting together the package we have before us.

Mr. President, I support this bipartisan conference report. This new law creates a solid legal foundation upon which electronic commerce can grow and prosper, with benefits for many consumers and businesses.

It is apparent to all of us that more and more business will be done on-line in the future, and that this will be true both for business-to-business commerce and for consumer transactions.

We need to be mindful, however, that while this trend will likely continue, many Americans do not today participate in the electronic world. Indeed, they cannot participate in this world in any meaningful way.

To make this point, I want to share with my colleagues the findings of a July, 1999 Commerce Department report entitled ''Falling Through the Net: Defining the Digital Divide.''

First, about 70 percent of Americans do not yet have access to the internet;

Urban households with incomes of $75,000 and higher are more than twenty times more likely to have access to the internet than rural households at the lowest income levels and they are more than nine times more likely to have a computer at home;

Whites are more likely to have access to the internet from home than Blacks or Hispanics have from any location;

Regardless of income level, Americans living in rural areas lag on internet access. At the lowest income levels, those in urban areas are more than twice as likely to have access than rural families with the same income.

These facts are alarming. More distressing, is the fact that, as bad as these numbers are, the trends are moving in the wrong direction. The Commerce Department reports that the digital divide is actually growing.

For example, the gap between white and minority households has grown 5 percentage points in just one year, from 1997 to 1998.

The gap, based both on education and income increased by 25 and 29 percent in the past year, respectively.

These dramatic and disturbing findings underline the importance of ensuring that, as we move to an electronic world, we make sure that longstanding consumer protections survive the transition. Many of us made clear from the

beginning that our goal was to ensure equivalent consumer protections for transactions conducted in the paper and electronic worlds. We have largely achieved that goal.

First among these protections is the common sense provision incorporated in the report that consumer consent to engage in electronic commerce be given electronically. This is a protection against unscrupulous and abusive practices as well as inadvertent mistakes by well meaning vendors.

Electronic consent will greatly enhance the consumer confidence to do business on-line, without resulting in additional burden on businesses—they are, after all, already committed to communicating with the consumer electronically.

The best demonstration of the importance of electronic consent is the fact that the initial conference draft that was provided to Conferees was circulated via e-mail. Yet, despite the fact that our staff is more technologically sophisticated than the average American consumer, many of them were unable to download the document and had to have paper copies hand delivered.

Now, imagine if that was a notice of change in mortgage servicing, or a notice that health insurance benefits are being cut back, or that auto insurance is being cancelled. That family could very well find itself with a sick child on no health insurance.

Electronic consent would have avoided that problem by ensuring that the consumer is able to read the records provided.

Electronic consent is not, as some people have sought to portray it, relevant only for a transitional period. Compatibility among systems is always important to check, given the significance of the records being transmitted. In addition, the U.S. mail is free to receive and comes to your door. You do not need a computer to receive the mail. You do not need to pay for an internet service provider, and you do not need to go to a public library to fain access to a computer if you don't have one at home. For all these reasons, electronic consent will be as important in the future as it is today.

Other concerns I had have also been addressed in this report.

We have provided both federal and state agencies with the authority to interpret and issue guidance on the proposed law. Providing this interpretive authority will provide businesses with a cost-effective way of getting guidance in how to implement the new law. Without this authority, these questions would have to have been answered by the courts, after extensive and expensive litigation. We have avoided that problem.

the conference report gives law enforcement agencies of federal and state governments the authority they need to detect and combat fraud, including the ability to require the retention of written records in paper form if there is a compelling governmental interest in law enforcement.

Let me raise one specific example, among many, of where this provision ought to be exercised. The Securities and Exchange Commission should use this provision to require brokers to keep written records of agreements required to be obtained by the SEC's penny stock rules. Investors in the securities markets have been the victims of penny stock abuse for more than a decade. The SEC must exercise every tool at its disposal to fight this kind of fraud.

Finally, we narrowed the scope of the legislation to ensure that certain notices that simply cannot effectively be made electronically, such as documents carried by vehicles hauling hazardous materials, will continue to be in paper form.

As many of you know, it was not at all clear that we were going to be able to deliver this bipartisan, largely consensus product to the floor. There were many times when negotiations threatened to unravel.

But we stuck to it; we continued to show a willingness to consider and reconsider many issues that came up, even after agreement on many of those issues was achieved. Eventually, we were able to close the few remaining gaps and come to a final compromise.

Mr. President, these changes make this a good piece of legislation worthy of our support. I urge all my colleagues to do so, and, once again, commend the leaders who brought this effort to a successful conclusion.

Finally, I ask unanimous consent to insert for the RECORD some more specific observations on a number of provisions of the legislation on behalf of Senator HOLLINGS, Senator, WYDEN, and myself. I think this will be helpful given the fact that no statement of managers was included with the final legislation.

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

STATEMENT OF SENATORS HOLLINGS, WYDEN, AND SARBANES REGARDING THE ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT

We want to make a number of points about some of the important provisions in the Act we are passing today.

1. *Scope of Requirement.* Section 101 (a). In recommending that the Senate vote to pass this legislation, we would like to clarify for members the kind of transactions that are covered by the bill. You will note that the definition of ''transaction'' includes business, commercial, or consumer affairs. The Conferees specifically rejected including ''governmental'' transactions. Members should understand that this bill will not in any way affect most governmental transactions, such as law enforcement actions, court actions, issuance of government grants, applications for or disbursement of government benefits, or other activities that government conducts that private actors would not conduct. Even though some aspects of such Governmental transactions (for example, the Government's issuance of a check reflecting a Government benefit) are commercial in nature, they are not covered by this bill because they are part of a uniquely Governmental operation. Likewise, activities conducted by private parties principally for governmental purposes are not covered by this bill. Thus, for example, the act of collecting signatures to place a nomination on a ballot would not be covered, even though it might have some nexus with commerce (such as the signature collectors' contract of employment).

General Rule of Validity. Section 101(a)(1) and (2). The Conferees added the word ''solely'' in both sections 101(a)(1) and (2) to ensure that electronic contracts and signatures are not inadvertently immunized by this Act from challenge on grounds other than the absence of a physical writing or signature. Companies and consumers should only be able to agree to reasonable electronic signature technologies. As the definition of the electronic signature makes clear, the electronic signature is only valid under this Act if the person intended to sign the contract. A person accepting an electronic signature should have a duty of care to determine if the signature really was created by the person to whom it is attributed.

Preservation of Rights and Obligations. Section 101(b)(1). The Conferees added a new Section 101(b)(1) which provides that this Title I does not ''limit, alter, or otherwise affect any requirement imposed by a statute, regulation, or rule of law relating to the rights and obligations of persons under such statute, regulation, or rule of law other than a requirement that contracts or other records be written, signed, or in nonelectronic form.'' This savings clause makes clear that existing legal requirements that do not involve the writing, signature, or paper form of a contract or other record are not affected by Title I. As a result, laws or regulations or common law rules that prohibit fraud or unfair trade or deceptive practices or unconscionable contracts are not affected by this Act. The use of the word ''solely'' throughout section 101(a) is intended to ensure a contract, notice or disclosure which is provided electronically gains no additional validity or sanctity against challenge just because it is in electronic form. The validity of a consent obtained as the result of an unfair or deceptive practice can be challenged and found to be invalid, in which case any records which were provided electronically will be deemed to not have been provided to the consumer. Thus, for example, a transaction into which a consumer enters electronically is still subject to scrutiny under applicable state and Federal laws that prohibit unfair and deceptive acts and practices. So, if a consumer were deceived or unfairly convinced in some way to enter into the electronic transaction, state and Federal unfair and deceptive practices laws might still apply even though the consumer was properly notified of their rights under Section 101(c) and consented to the electronic notices and contract was properly obtained. In other words, compliance with the Act's consumer consent requirements does not make it unnecessary for the transaction and parties to the transaction to comply with other applicable statutes, regulations or rules of law. The basic rules of good faith and fair dealing apply to electronic commerce.

Preservation of Rights and Obligations. Section 101(b)(2). The Act specifically avoids forcing any contracting party—whether the Government or a private party—to use or accept electronic records and electronic signatures in their contracts. Thus, for example, where the Government makes a direct loan, the bill would not require the use or acceptance of electronic records or signatures in the loan transaction, because the Government would be a party to the loan contract. The Conferees recognized that, in some instances, parties to a contract might have

valid reasons for choosing not to use electronic signatures and records, and it is best to allow contracting parties the freedom to make that decision for themselves.

Protections Against Waste, Fraud and Abuse. Sections 101(b)(2), 102(b) and 104(b)(4). Members should note that several provisions of the Conference report are designed to address concern about protecting taxpayers from waste, fraud and abuse in connection with government contracting or other instances in which the government is a market participant. For example, Sections 101(b)(2), 102(b) and 104(b)(4) and others give agencies significant latitude to accept, reject, or place conditions on the use of electronic signatures and records when the government is acting like a market participant.

Consent to Electronic Records. Section 101(c)(1). The House bill included an amendment that required that consumers affirmatively consent before they can receive records (included required notices and disclosures and statements) electronically that are legally required to be provided or made available in writing. Special rules apply to electronic transactions entered into by consumers. It is the Congress' intent that the broadest possible interpretation should be applied to the concept of ''consumer.'' The definition in Section 106(1) is intended to include persons obtaining credit and insurance, even salaries and pensions—because all of these are ''products or services which are used primarily for personal, family or household purposes'' as the word is defined in the Act. Amongst the other changes to this section made in Conference, the Conferees added an important new element: Section 101(c)(1)(C) of the Conference Report requires that the consumer ''consents electronically, or confirms his or her consent electronically, in a manner that reasonably demonstrates that the consumer can access information in the electronic form that will be used to provide the information that is the subject of the consent.'' The purpose of this provision is to ensure that, when consumers agree to receive notices electronically, that they can actually open, read, and retain the records that they will be sent electronically. The Act requires that consumers consent electronically—or confirm their consent electronically—in either case, in a manner that allows the consumer to test his capacity to access and retain the electronic records that will be provided to him. The consumer's consent to receive electronic records is not valid unless it is confirmed electronically in a manner meeting the specific requirements of Section 101(c)(1)(C)(ii).

Today, many different technologies can be used to deliver information—each with its own hardware and software requirements. An individual may not know whether the hardware and software on his or her computer will allow a particular technology to operate. (All of us have had the experience of being unable to open an e-mail attachment.) Most individuals lack the technological sophistication to know the exact technical specifications of their computer equipment and software. It is appropriate to require companies to establish an ''electronic connection'' with their customers in order to provide assurance that the consumer will be able to access the information in the electronic form in which it will be sent. This one-time ''electronic check'' can be as simple as an e-mail to the customer asking the customer to confirm that he or she was able to open the attachment (if the company plans to send notices to the customer via e-mail attachments) and a reply from the customer confirming that he or she was able to open the attachment. This responsibility is not unduly burdensome to e-commerce. As a matter of good customer relations, any legitimate company would want to do confirm that it has a working communications link with its customers.

Preservation of Consumer Protections. Section 101(c)(2)(A). The Conferees preserved an important provision from the House bill which provides that: ''nothing in this title affects the content or timing of any disclosure or other record required to be provided or made available to any consumer under any statute, regulation, or other rule of law.'' State and federal law requirements on delivering documents have not been addressed in this Act. The underlying rules on these issues still prevail. It is our view that records provided electronically to consumers must be provided in a manner that has the same expectation for the consumer's actual receipt as was contemplated when the state law requirement for ''provided'' was passed. So, for example, if a statute requires that a disclosure be provided within 24 hours of a certain event and that the disclosure include specific language set forth clearly and conspicuously. That requirement could be met by an electronic disclosure if provided within 24 hours of that event, which disclosure included the specific language, set forth clearly and conspicuously. However, simply providing a notice electronically does not obviate the need to satisfy the underlying statute's requirements for timing and content.

Section 101(c)(3) is a narrow saving clause to preserve the integrity of electronic contracts: just because the consumer's consent to electronic notices and records was not obtained properly does not mean that the underlying contract itself is invalid. This provision only affects electronic records, it simply means that an electronic consent which fails to meet the requirements of section 101(c) does not create a new basis for invalidating the electronic contract itself.

Retention of Contracts and Records. Section 101(d)(1) and Section 104(b)(3). The Conferees added provisions that state: ''if a statute, regulation, and other rule requires that a contract or other record relating to a transaction . . . be retained,'' the requirement is met by retaining an electronic record of the information that ''accurately reflects the information'' and ''remains accessible'' to all who are entitled to it ''in a form that is capable of being accurately reproduced for later reference. . . .'' Moreover, Federal or State regulatory agencies may interpret this requirement to specify performance standards to ''assure accuracy, record integrity, and accessibility of records that are required to be retained.'' Moreover, these performance standards can be specified in a manner that does not conform to the technology neutrality provisions, provided that the requirement serves, and is substantially related to the achievement of, an important governmental objective. These record retention provisions are essential to the capacity of Federal and State regulatory and law enforcement agencies to ensure compliance with laws. For example, the only way in which a government agency can determine if participants in large government programs are complying with financial and other requirements of those programs may be to require that records be retained in a form that can be readily accessible to government auditors. Similarly, agencies must be able to require that companies implement anti-tampering protections to ensure that electronic records cannot be altered easily by money launderers or embezzlers or others seeking to hide their illegal activity. Without the ability of these agencies to ascertain program compliance through electronic record retention, taxpayers could be exposed to far greater risk of fraud and abuse. Similarly, bank and other financial regulators need to require that records be retained in order that their examiners can insure the safety and soundness of the institutions and their compliance with all relevant regulatory requirements.

Accuracy and Ability to Retain Contracts and Other Records, 101(e). The Conferees added new language in section (e) of 101 to establish that a contract or record which is required under other law to be in writing loses its legal validity unless it is provided electronically to each party in a manner which allows each party to retain and use it at a later time to prove the terms of the record.

Exemptions to Preemption. Section 102(a) allows a state to ''modify, limit or supersede section 101'' in one of two ways: (1) by passing the Uniform Electronic Transactions Act (''UETA'') as approved and recommended for enactment by the National Conferences of Commissioners on Uniform State Laws in 1999, or (2) by passing another law which specifies the requirements for use or acceptance of electronic records and electronic signatures which is consistent with this Act. These choices for states are not mutually exclusive. Of course, the rules for consumer consent and accuracy and retainability of electronic records under this Act shall apply in all states that pass the Uniform Electronic Transaction Act or another law on electronic records and signatures in the future, unless the state affirmatively and expressly displaces the requirements of federal law on these points. A state which passed UETA before the passage of this Act could not have intended to displace these federal law requirements. These states would have to pass another law to supercede or displace the requirements of section 101. In a state which enacts UETA after passage of this Act, without expressly limiting the consent, integrity and retainability subsections of 101, those requirements of this Act would remain in effect. The general provisions of UETA, such as the requirement for agreement to receive electronic records in UETA are not inconsistent with and do not displace the more specific requirements of section 101, such as the requirement for a consumer's consent and disclosure in section 101(c).

It is important to note that Section 103(b) lists certain notices which are exempted from the coverage of section 101 (such as notices of cancellation of utility service or insurance coverage). The legal result is that section 101 simply does not apply to the notices listed in section 103. Under section 102(a) a state only has the authority to modify, limit or supercede the coverage of section 101. We specifically intend that a state may not use its authority under section 102, to authorize solely electronic records of those notices listed in section 103.

Prevention of Circumvention. Section 102©. Section 8(b)(2) of UETA allows States to impose delivery requirements for electronic records. Section 102(c) has the limited purpose of ensuring that the state does not circumvent Titles I or II of this Act by imposing nonelectronic delivery methods. Thus, provided that the delivery methods required are electronic and do not require that notices and records be delivered in paper form, States retain their authority under Section 8(b)(2) of UETA to establish delivery requirements.

We believe that Title II of this Act separately addresses transferable records by establishing rules for creating, retaining and providing these records electronically. This Act places no limitation on a state's right to add consumer protections to transferable records.

Preservation of Existing Rulemaking Authority. Section 104(b). This Act will affect requirements that are imposed by Federal and State statutes, regulations, and rules of law. No one agency that is charged with interpreting its provisions; instead, under Section

104(b), regulatory agencies that have authority to interpret other statutes may interpret Section 101 with respect to those statutes to the extent of their existing interpretative authority. This provision provides important protection to both affected industry and consumers. It is impossible to envision all of the ways in which this Act will affect existing statutory requirements. This interpretative authority will allow regulatory agencies to provide legal certainty about interpretations to affected parties. Moreover, this authority will allow regulatory agencies to take steps to address abusive electronic practices that might arise that are inconsistent with the goals of their underlying statutes. For example, if a broker were to deceive a person into pledging equity in their home for a loan based on false representations about the loans terms and conditions, the broker's action could be challenged under any applicable statute that prohibited such deception and false representations, even if the consumer executed the loan documents electronically and consented to the use of the electronic contract and records in compliance with the terms of this Act. Without this authority, predators might argue that this Act somehow immunizes the abusive practice, notwithstanding the underlying statutory requirement, and consumers and competitors would have to wait for resolution of the issue through litigation.

I would also like to clarify the nature of the responsibility of government agencies in interpreting this bill. As the bill makes clear, each agency will be proceeding under its preexisting rulemaking authority, so that regulations or guidance interpreting section 101 will be entitled to the same deference that the agency's interpretations would usually receive. This is underlined by the bill's requirements that regulations be consistent with section 101, and not add to the requirements of that section, which restate the usual *Chevron* test that applies to and limits an agency's interpretation of a law it administers. Giving each agency authority to apply section 101 to the laws it administers will ensure that this bill will be read flexibly, in accordance with the needs of each separate statute to which it applies.

Any reading under which courts would apply an unusual test in reviewing an agency's regulations would generate a great deal of litigation, creating instability and needlessly burdening the courts with technical determinations. Likewise, because these regulations will be issued under preexisting legal authority, and challenges to those regulations will proceed through the methods prescribed under that preexisting authority, whether pursuant to the Administrative Procedure Act or some other statute. Again, this will ensure that any challenges to such regulations are resolved promptly and minimize any resulting instability and burden. Of course, such regulations must satisfy the requirements of the Act.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

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

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

VICTIMS OF GUN VIOLENCE

Mr. KERRY. Mr. President, it has been more than a year now since the Columbine tragedy, and still regrettably our friends on the other side of the aisle refuse to act on commonsense, sensible gun legislation. I understand the divisions in the Senate and in the country on the issue of guns. I am certainly not unmindful of the truth to some people's assertions regarding the degree to which personal responsibility enters into the actions of anybody with respect to guns.

Obviously, we need to create greater accountability on a personal level with respect to those actions. But common sense tells every single American that there are also basic things we can do to make this country safer for our children, things we can do to keep guns out of the hands of our children, things we can do to make our schools safer, ways in which guns themselves can become safer. I am deeply troubled by the numbers of people, particularly the number of children who have been wounded or killed by gunfire since Columbine, and who are killed and wounded by gunfire each year in this country.

All we are asking is that the juvenile justice conference meet, that the Senate do its business, that they finish the business, issue their report, and that the Congress have the courage and the willingness to vote on the conference report.

Until we do act, many of us on this side of the aisle—I would say the Democratic caucus—is prepared to read the names of those who have lost their lives to gun violence over the past year. We will continue to do so every single day that the Senate is in session.

The following are the names of people who were killed by gunfire, 1 year ago today:

Latonia Davis, 21, Charlotte, NC; Jacob B. Dodge, 24, Madison, WI; Elvin R. Dugan, 33, Oklahoma City, OK; Marcus E. Gray, 39, Chicago, IL; Dante Green, 26, Washington, DC; Dwayne Pate, 32, Washington, DC; Charles Vullo, 42, Houston, TX; Brandon Williams, 3, Hollywood, FL; Lennox Williams, 49, Hollywood, FL; Mae William, 44, Hollywood, FL; Unidentified male, 63, Portland, OR.

I hope my colleagues will join in releasing the juvenile justice bill from its prison and empowering the Senate to do its job and to pass the juvenile justice bill, which will make this country safer for our children.

I yield the floor.

DEFENSE APPROPRIATIONS ADD-ONS, INCREASES, AND EARMARKS

Mr. MCCAIN. Mr. President, I ask unanimous consent that my list of add-ons, increases, and earmarks to the fiscal year 2001 Defense appropriations bill be printed in the RECORD.

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

DEFENSE APPROPRIATIONS FOR FY 2001 ADD–ONS, INCREASES AND EARMARKS

[In millions of dollars]

TITLE II—OPERATIONS AND MAINTENANCE	
Army:	
Military Gator	5
GCCS–USFK	11.3
HEMTT vehicle recapitalization	10
Maintenance Automatic Identification Technology	2
LOGTECH	0.5
Fort Wainwright utilidors	10
Fort Greely runway repairs	7
Hunter UAV	5
Rock Island UPC subsidy	11.5
Watervliet UPC subsidy	11.5
Air Battle Captain	1.25
Joint Assessment Neurological Exam equipment	1.5
JCALS	10
Biometrics support	8
Army conservation and ecosystem management	2
Information Assurance–USFK IT security	2
Rock Island Bridge repairs	2.5
Fort Des Moines, Historic OCS memorial	2
Memorial Tunnel, Consequence management	5
Mounted Urban Combat Training, Fort Knox, Kentucky	4
Industrial Mobilization Capacity	68

DEFENSE APPROPRIATIONS FOR FY 2001 ADD–ONS, INCREASES AND EARMARKS—Continued

[In millions of dollars]

(Charlestown Naval Auxiliary Landing Field—The Committee encourages the Corps of Engineers to complete the remaining environmental remediation work at this site as expeditiously as possible)	
Navy:	
C–12 Spares Program	5
Shipyard Apprentice Program	12
Meteorology and oceanography	7
UNOLS	5
Ship Disposal Project	16
Mark 53 (NULKA) training and support	4.3
NUWC MBA program	2
JMEANS–N, Naval War College, Newport RI	1
Biometrics Support	3
MTAPP	2
Pearl Harbor Shipyard	24
Inturnescent Fire Protective Coatings	3
Information Technology Center (New Orleans)	7
Public Service Initiative	1
Navy benefit Center	3
(Hunter's Point Naval Shipyard—the Committee is concerned about the status of environmental remediation at Hunter's Point in San Francisco. SECNAV will report to this committee n.l.t. Jan 15, 2001 on the status of the project)	
Marine Corps:	
Joint Service NBC Defense Equipment Surveillance	3.7
Lightweight Maintenance Enclosures	10
Polartec cold weather gear	5
ECWCS	4
Air Force:	
B–52 attrition reserve	36.9
Keesler AFB, MI Weatherproofing	2.8
University Partnering for Operational Support	4
TACCSF upgrades and operations	5.1
PACAF Airlift Support	3.5
RPM Eielson AFB, AK, utilidors	10
Hickam AFB, HI alternative fuel vehicle program	1
Biometrics support	3
Iodine 131 experimentation	5
Iodine medical monitoring	2
MTAPP	4
Elmendorf AFB, AK	10
College/Officer candidate initiative	1.5
Advanced 3–D for Portable Flight Planning Software (PFPS)	2
O&M Defense-Wide:	
Civil-Military Programs	24.1
DLA Aging Aircraft Program	15
OEA, Adak AK Reuse support	7
OEA, Fitzsimmons Army Hospital	10
OEA, Charleston Naval Shipyard, Bldg. 234	10
OSD, Pacific Command regional initiative	20
OSD, Clara Barton Center	1.5
DoDDEA, Galena MT IDEA	4
Legacy/Navy Historical Preservation, Lake Champlaign	15
Middle-East Regional Security Issues	1
Institute for Defense Computer Security and Information Protection	10
Information Security Scholarship Program	20
American Red Cross for Armed Forces Emergency Services	5
Bosque Redondo Memorial, New Mexico	2
Army National Guard:	
Distributed learning project	65.7
Additional full-time support technicians	20.5
School house support	7
Extended cold weather clothing system	12
Fort Harrison, MT infrastructure improvements	2
Air National Guard:	
C–130 operations	5
Defense Systems Evaluation (DSE) White Sands NM	2.5
Project Alert	3.5
AlaskAlert	1.5
Recruiting	6
New Jersey Forest Fire Service	0.093
Environmental Restoration, Formerly Used Defense Sites—Formerly Used Defense Sites (FUDS) Army Corps of Engineers	45
TITLE III—PROCUREMENT	
Army:	
Ammunition Production Base Support (Arms Initiative)	20
Weapons and Tracked Combat Vehicles: Carrier Modifications	10
Abrams Full-Crew Interactive Skills Trainer Development	5
Weapons of Mass Destruction Civil Support Teams (WMD–CST)	3.7
Special Purpose Vehicles	11.3
Navy:	
ITALD	20
MK–45 Mod 4 Guns	30
SMAW Common Practice Round	5
MSC Thermal Imaging System	8
Shipboard Air Traffic Control on-board Training Devices	4
JEDMICS	4
Info Systems Security Program (ISSP)	3
Passive Sonobuoys	3
AN/SSQ–62 DICASS	3
AN/SSQ–101 ADAR	3
Joint Tactical Combat Training System	5
Rotational Training Range Upgrade	5
NULKA	4.3
Submarine Training Device Mods Data Management & Conv.	2.5
MTVR Trucks	10
Armed Forcer Recruiting Kiosks	2
Cryptology Readiness Trng Support: Signalwork	4
Marine Corps Procurement:	
Bayonets	2

DEFENSE APPROPRIATIONS FOR FY 2001 ADD–ONS, INCREASES AND EARMARKS—Continued

[In millions of dollars]

M203 Tilting Bracket	2
ULCANS Command Post System	5
Aluminum Mesh Tank Liner	1
Air Force Procurement:	
F–15 E–Kit Engine Mods	48
Survivability Enhancements	26.9
F–16 Digital Terrain System	16.5
F–16 OBOGS retrofit	5
C–17 Maintenance Trng System	11
C–40 (1) plus-up for ANG	52
C–130 Simulator	7.5
RC–135 Reengining (2)	59
COBRA BALL digital processing	9
RIVET JOINT mission trainer	15.5
U–2 SYERS	3
COMPASS CALL block 30/35 mission crew simulator	23.7
ALE–50 Towed Decoys	23.1
Hydra Rockets	15
MOU–93 Conical Tail Fin	1
HMMWV, Armored	10
COMSEC equipment	4
Unmanned Threat Emitter Combat Training Ranges	21.4
Laser Eye Protection	2.5
Supply Assets Tracking System	10
Emergency Support Heli-Basket	4
Missile Procurement: Maverick Re-configurations	5
U–2 Aircraft Production	3
Procurement Defense-Wide:	
Advanced Seal Delivery System	3.3
Automatic Document Conversion, Defense Supp. Activities	15
Integrated Bridge System for SOF Rigid Inflatable Boats	7
NAVSCIATTS Collateral Equip	2.75
C2A1 Canister	1.8
M291 Decontamination Kits	2.5
Chemical Biological Defense Program (Contamination Avoidance)	1.8
TITLE IV—RESEARCH, DEVELOPMENT, TEST AND EVALUATION	
R,D,T,E (Army):	
Defense Research Sciences (Cold Regions Mil. Engineering)	1.25
Defense Research Sciences (Force Protection from Terr. Weaps)	3
Defense Research Sciences	4.25
University and Industry Research Centers	6.5
Industrial Preparedness: Printed Wiring Board Manufacturing Tech.	5
Display Performance & Environmental Evaluation Laboratory	3
Applied Research:	
Materials Technology	13
Missile Technology	8
Modeling and Simulation Technology	5
Combat Vehicle and Automotive Technology	23.5
Ballistic Technology	6
Joint Service Small Arms Program	5
Weapons and Munitions Technology	5
Electronic and Electronic Devices	10.6
Countermine Systems	5.4
Environmental Quality Technology	6
Military Engineering Technology	11.5
Warfighter Technology	2
Medical Technology	26.5
Silicon Carbide Research	15
Applied Technology Development:	
Warfighter Advanced Technology	5
Medical Advanced Technology	56.5
Missile and Rocket Advanced Technology	22
Demonstration and Validation:	
Army Missile Defense Systems Integration	80
Tank and Medium Caliber Ammunition	15
Advanced Tank Armament System (ATAS)	150
Night Vision System Advanced Development	5.1
Aviation—ADV DEV	5
Operational Test of Air-Air Starstreak Missile	12
Engineering and Manufacturing:	
EW Development	18
Engineer Mobility Equipment Development	15
Night Vision Systems—ENG DEV	1.5
Combat Feeding, Clothing and Equipment	3.5
Joint Surveillance/Target Attack Radar System	4
Aviation-ENG DEV	5
Weapons and Munitions—ENG DEV	9
Medical Material/Medical Biological Defense Equipment	3
Landmine Warfare/Barrier—ENG DEV	30
Radar Development	5
Firefinder	10
Information Technology Development	4
RDT&E Management:	
Threat Simulator Development	4.9
Concepts Experimentation Program	5
Survability/Lethality Analysis	16
DOD High Energy Laser Test Facility	24.4
Munitions Standardations, Effectiveness and Safety	2
Management Headquarters (Research and Development)	3
MLRS Product Improvement Program	16
Aerostat Joint Project Office	2
Aircraft Modifications/Product Improvement Program	12
Tactical Unmanned Aerial Vehicles	7
End Item Industrial Preparedness Activities	15
R,D,T & E Navy:	
Air and Surface Launched Weapons Tech.-Free Electron Laser	5
Air and Space Launched Weapons Tech-Pulse Detonation Engine	7

DEFENSE APPROPRIATIONS FOR FY 2001 ADD–ONS, INCREASES AND EARMARKS—Continued

[In millions of dollars]

Reentry Systems Application for Advanced Technology Vehicle	2
Innovative Stand-Off Door Breaching Munitions	4.5
Surface Ship & Submarine HM&E Advanced Technology	5
Navy Information Technology Center, New Orleans	8
Ship Submarine & Logistics:	
Bio-degradable Polymers	1.25
Non-Magnetic, Stainless Steel Adv Double Hull	5
3DP Metal Fabrication Process	5
Bio-environmental Hazards Research Program	3
Marine Corps Landing Force Technology—Cent./threat/ops Communications, Command & Control, Intell, Surveillance	3
Hyperspectral Research	3
Networking Program, ACIN, Camden, NJ	15
UESA Signal Processing	10
Tactical Component Network Demonstration	10
E–2C RMP Littoral Surveillance	15
Chemical Agent Warning Network	3
Materials, Electronic & Computer Technology:	
Materials, Electronics, & Computer Tech. Program	2
Advanced Materials Processing Center	5
Wood Composite Technology Project	1.5
Innovative Communications Materials	2
Intermediate Modules Carbon Fiber Qualification	2
Nanoscale Science & Technology Program	3
Composite Storage Module	3
Advanced Materials Innovative Communications Materials	2
Compatible Processor Upgrade Program (CPUP)	5
Oceanographic and Atmospheric Technology:	
Littoral Acoustic Demonstration Center (LADC)	2
Distributed Marine Environmental Forecasting System	3
Dual Use Applications Program: Energy and Environmental Technology Initiative	2
Air Systems and Weapons Advanced Technology:	
Precision Strike Navigator	5.7
Digitization of FA–18 Aircraft Technical Manuals	5.2
Surface Ship & Submarine HM&E Advanced Technology:	
Laser Welding and Cutting	2.8
Virtual Test Bed	2
Supply Chain Best Practices Program	2
Marine Corps Advanced Technology Demonstration (ATD): Marine Corps Combat Development Command, Project Albert	4
Manpower, Personnel and Training ADV TECH DEV: RIT Center for Integrated Manufacturing	3
Environmental Quality and Logistics Advanced Tech.:	
Ocean Power Technology	3
Hybrid Lidar-Radar	3
Geotrack Positioning Technology Program	7.5
Smart Base Initiative	2.7
Visualization of Technical Information	2
Undersea Warfare Advanced Technology: Magnetrestrictive Transduction	3
Advanced Technology Transition:	
Vectored Thrust Ducted Propeller	3.2
HYSWAC	5
USMC ATT Initiative	10
C3 Advanced Technology: National Technology Alliance	15
Air/Ocean Tactical Applications: National Center of Excellence Hydrography	2.5
ASW Systems Development: Advanced Periscope Detection	5
Shipboard System Component Development: MTTC/IPI	8
Advanced Submarine System Development:	
Enhanced Performance Motor Brush	2
Conformal Acoustic Velocity Sonar (CAVES)	5
Common Towed Arrays	5
C128 Advanced Composite Submarine Sail	2.5
Ship Preliminary Design and Feasibility Studies: Shipboard Simulator for USMC	20
Marine Corps Assault Vehicles	17.5
Marine Corps Ground Combat/Support System:	
SMAW Follow-on	3
High Mobility Artillery Rocket Systems	17.3
Space and Electronic Warfare (SEW) Architecture and Engineering Support: Collaborative Integrated Information Technology	4
Multi-Mission Helicopter Upgrade Development: Advanced Threat Infrared Countermeasures	4
SSN–688 and Trident Modernization: Antenna Technology Improvement	5
Ship Contract Design/Live Fire T&E: Nuclear Aircraft Carrier Design and Product Modeling	10
Ship Self Defense—EMD: Anti-ship Missile Decoy System	2.1
Medical Development:	
Smart Aortic Arch Catheter	1.5
Coastal Cancer Control	5
Major T&E Investment: Fleet Air Training	3
Marine Corps Program Wide Support: USMC University	1
Consolidated Training Systems Development: Joint Tactical Combat Training	5
HARM Improvement: Quick Bolt, ACDT Program	5
Navy Science Assistance Program:	
LASH	10
Range Airship	9
RWR Antenna Replacement and System Enhancement	1
Marine Corps Communication Systems: Joint Enhanced Core Communication System	3
Joint C4ISR Battle Center (JBC): Interoperability Process Software Tools	2
Airborne Reconnaissance Systems: Hyperspectral Modular Upgrades to Airborne Recon. System	4
Space Activities: SPAWAR SATCOM Systems Integration Initiative	2
Modeling and Simulation Support: SPAWAR	5
Air Force:	
(USAF) Research, Development, Test and Evaluation: Basic Research-Defense Research Sciences	2
Applied Research:	
Materials	24.6
Aerospace Flight Dynamics	0.552
Human Effectiveness Applied Research	6
Aerospace Propulsion	12.1
Space Technology	10.6
Advanced Technology Development:	
Advanced Materials for Weapon System	3.5
Advanced Aerospace Sensors	12
Flight Vehicle Technology	3.827

DEFENSE APPROPRIATIONS FOR FY 2001 ADD–ONS, INCREASES AND EARMARKS—Continued

[In millions of dollars]

Aerospace Structures	6.2
Crew Systems and Personnel Protection Technology	5
Flight Vehicle Technology Integration	3
Advanced Spacecraft Technology	20.415
Maui Space Surveillance System (MSSS)	15
Advanced Weapons Technology	12
Environmental Engineering Technology	2
Aerospace Info Tech Sys Integration	0.6
Intercontinental Ballistic Missile—DEM/VAL	19.2
LaserSpark Countermeasures Program	5
Extended Range Conventional Air-launched Cruise Missile Program	43
XSS–10 Micro-Missile Technology Program	12
Engineering and Manufacturing Development:	
B–2 Advanced Technology Bomber	5
EW Development	8
Life Support Systems	2.75
Combat Training Ranges	4
Integrated Command & Control Applications (IC2A)	4.8
Intelligence Equipment	5.3
RDT&E for Aging Aircraft	7
RDT&E Management Support: Major T&E Investment	5
Operational Systems Development:	
B–52 Squadrons	10
A–10 Squadrons	2
F–16 Squadrons	1
F–15 Squadrons	5
Compass Call	10
Extended Range Cruise Missile	20
Theater Battle Management (TBM) C41	5
Joint Surveillance and Target Attack Radar System	7.2
Information Systems Security Program	5
MILSATCOM Terminals	3
NAVSTAR Global Positioning System (Space & Controls)	10.7
Dragon U–2 (JMIP)	6
Endurance Unmanned Aerial Vehicles	18
Airborne Reconnaissance Systems	15.7
Manned Reconnaissance Systems	11
Industrial Preparedness	3
Productivity, Reliability, Availability, Maintain. Pro	9
C–5 Aircraft Modernization/Reliability Enhancement Program	92.5
Defense—Wide Research, Development, Test & Eval.	
Support Technologies—Applied Research:	
Photoconduction on Active Pixel Sensors	7
Laser Communication Demonstration	5
Shipboard High Precision Lidar System	2
Bottom Anti-Reflective Coatings	2.5
Wide Band Gap Materials	2
ALGL/STRIKER	6
Spatio-temporal Database Research	6
Logistics R & D Tech. Demo. Silicon-Based Nanostructures	2
High Energy Laser R,D,T & E	50
Generic Logistics Research and Development Tech. Demo.	0.3
Special Reconnaissance Capabilities (SRC) Program	2
Support Technologies—Advanced Technology Dev.:	
Silicon Thick Film Mirror Coatings	5
Atmospheric Interceptor Technology	15
Comprehensive Advanced Radar Tech.	5
Excalibur Target & Component Technologies Program	3
RF/IR Data Fusion Testbed	3.2
Wideband Gap Semiconductor	10
Explosives Demilitarization Technology	5
BMD Technical Operations	33.5
PMRF TMD Upgrades	11.5
Optical-Electro Sensors	5
Range Data Fusion Upgrade Project	2
ESPIRIT	2
Advanced Multi-Sensor Fusion Testbed	1.5
Advanced Research Center/Sim Center	6.5
Defense Wide RDT&E	
Basic Research:	
Defense Research Sciences	11.6
University Research Initiatives	10
Def. Experimental Prog. to Stimulate Competitive Research	15.141
Chemical and Biological Defense Program	5
Ballistic Missile Defense Org. of International Cooperation	6
Environmental Security Technical Certification Program	5
Strategic Environmental Research & Development Program	5
Information Technology Center	20
Solid State Dye Laser Project	7
Military Personnel Research	4
Applied Research:	
Support Technologies—Applied Research	18.5
Historically Black Colleges and Universities (HBCU)	3.5
Lincoln Laboratory Research Program	2.1
Chemical and Biological Defense Program	8
Remotely Controlled Combat Systems Initiative	199
Integrated Command and Control Tech.	7
Materials and Electronics Technology	6
Chem-Bio Advanced Materials Research	3.5
Advanced Tech. Development:	
Explosives Demilitarization Tech.	10.7
Support Tech-Advanced Tech. Dev.	41.2
Advanced Aerospace Systems	4.115
Chemical and Biological Defense Program—Advanced Dev.	9.1
Special Technical Support	5
Generic Logistics R&D Tech. Demonstrations	14

DEFENSE APPROPRIATIONS FOR FY 2001 ADD–ONS, INCREASES AND EARMARKS—Continued

[In millions of dollars]

Strategic Environmental Research Program	0.2
Advanced Electronics Tech.	6.5
Advanced Concept Tech. Demonstrations	5
High Performance Computing Modernization Program	13.5
Joint Wargaming Simulation Management Off.	8
Agile Port Demonstration	5
Demonstration and Validation:	
Joint Robotics Program	5
Advanced Sensor Applications Program	15.5
CALS Initiative	7
Environmental Security Technical Certification Program	0.5
BMD Tech. Operations	33.5
Engineering and Manufacturing Development:	
Chemical and Biological Defense Program	3.5
Information Systems Security Program	2.5
RDT&E Management Support:	
General Support to C3I	6
Foreign Material Acquisition and Exploitation	48.1
Defense Technology Analysis	3
Operational Systems Development:	
Information Systems Security Program	1.8
Defense Imagery and Mapping Program	4
Committee Recommendations:	
Central Test & Evaluation Investment Dev. (CTEIP)	15.5
Roadway Simulator	13.5
Big Crow Operations	7
Magdalena Ridge Observatory	10
Digital Video Laboratory	5
Live Fire Testing	1.5
Reality Fire-fighting Training	1.5
TITLE V—''BUY AMERICA'' PROVISIONS FOR THE NATIONAL DEFENSE SEALIFT FUND	
TITLE VI—OTHER DOD APPROPRIATIONS	
Pine Bluff Arsenal	1.5
Outcomes Management Demonstration at WRAMC	10
Pacific Islands Health Care Referral Program	8
Automated Clinical Practice Guidelines	7.5
Hawaii Federal Health Care Network (PACMEDNET)	7
Clinical Coupler Demonstration Project	5
CoE for Disaster Management and Humanitarian Assistance	5
Tri-Service Nursing Research Program	4
Defense and Veterans Head Injury Program	3.5
Graduate School of Nursing	2
Brown Tree Snakes	1
Alaska Federal Health Care Network	1
Biomedical Research Center Feasibility Study	1
Oxford House DOD Pilot Project	0.75
Uniformed Services University of the Health Sciences	6.3
Breast Cancer Research Program (BCRP)	175
Prostate Cancer Research Program (PCRP)	100
Ovarian Cancer Research Program (OCRP)	12
Peer Reviewed Medical Research Program (PRMRP)	50
Committee Adjustments (Counternarcotics):	
National Guard Counterdrug Support	20
Gulf States Initiative	14.8
Regional Counterdrug Training Academy	2
Marijuana Eradication	6.1
Tethered Aerostat Radar System (TARS)	10
EO/IR Sensors for Air National Guard OH–58 Aircraft	5
WV Air National Guard C–26 Aircraft Support	6.3
WV Air National Guard Counterdrug Program	3.2
Northeast Regional Counterdrug Training Center	5
Counternarcotics Center at Hammer	10
Source and Transit Zone Interdiction Operations	15
Drug Enforcement Policy Support	23
TITLE VII—AGENCIES	
(Health Benefits of Cranberries—Committee urges SECDEF to take steps to increase the Department's use of cranberry products in the diet of on-base personnel and troops in the field)	
Committee Recommendation: Kaho'olawe Island Conveyance	60
TITLE VIII—GENERAL PROVISIONS	
National Center for the Preservation of Democracy	20
[(Studies Japanese-American's imprisoned during WWII)—SEC. 8009 Patients from Micronesia may receive medical services pending Secretary of the Army approval, at Army facilities in Hawaii, assuming the action is beneficial for Army graduate medical programs—SEC. 8016 ''Buy America'' provisions for Welded Shipboard Anchor and Mooring Chain 4″ in diameter or less]	
SEC. 8031 Civil Air Patrol	21.4
[SEC. 8033—''Buy America'' provisions for carbon, alloy or armor steel Health Benefits of Cranberries—Committee urges SECDEF to take steps to increase the Department's use of cranberry products in the diet of on-base personnel and troops in the field. SEC. 8062 ''Buy America'' provisions for Ball and Roller Bearings—SEC. 8064 ''Buy America'' provisions for Super Computers—SEC. 8067 The Army shall use the former George AFB, CA, as the airhead for the National Training Center at Fort Irwin. SEC. 8079 SECDEF may waive reimbursement of costs for attendance at the Asia-Pacific Center by critical personnel—SEC. 8085 ''Buy America'' provisions for Construction of Public Vessels, Clothing & Textiles, & Food—SEC. 8092 ''Buy America'' provisions for ADC(X) Main Propulsion Engines & Propulsors]	
SEC. 8123 National D-Day Musueum	2.1
SEC. 8124 Chicago Public Schools conversion of Bronzeville Armory	
Total	4,367,493,000.00.

WIC FOR MILITARY FAMILIES

Mr. LEAHY. Mr. President, the Department of Defense authorization bill that we will resume on Monday contains a ''buried gem.'' This is an amendment that several Senators from both sides of the aisle have been working on for some time. In addition, many members in the other body also have been very supportive of this effort in general.

This ''buried gem'' is a provision that will allow military personnel and dependents stationed overseas to participate in a program very similar to the WIC—the Women, Infants and Children—nutrition program. The WIC program in this country has enjoyed full, bipartisan support for many years, and this new provision provides that our forces abroad will be entitled to benefit from a very similar program with eligibility calculated under very similar rules.

The chairman of the Senate Agriculture, Nutrition and Forestry Committee, Senator LUGAR, and the ranking member, Senator HARKIN, along with the chairman of the nutrition subcommittee, Senator FITZGERALD, worked together with me and other members of the Committee on this WIC in the military issue. We received valuable input on this recent amendment from the DOD and the military liaison offices, as well as from the Department of Agriculture. We are grateful for that assistance.

I know that many of us worked together last year on this issue also. Last year, I introduced the bill, Strengthening Families in the Military Service Act of 1999 (S. 1162), which was designed to provide WIC benefits to military personnel and to certain civilian personnel, stationed overseas.

In my floor statement on May 26 of last year, I noted that ''if it makes sense to allow those stationed in the United States to participate in WIC, it makes sense to allow those stationed overseas to have the important nutritional benefits of that program. Why should families lose their benefits when they are moved overseas?''

A former staff person, Janet Breslin, who worked for me as Deputy Chief of Staff of the Senate Agriculture Committee and now is stationed in Japan with her husband, sent me a note saying:

> WIC can make all the difference to an at-risk baby or pregnant mother. There is a specific need here in Okinawa. Our young families make the long trip to Japan to represent their country. They are separated from family and friends back home. Because we have limited base housing, some are forced to live off-base for months or a year. During this time the family faces the high cost of living in Japan, especially high utility fees and food costs. For many, huge phone bills home put many families in a financial pinch.
>
> If these at-risk families were in the United States, they would qualify for WIC, which would provide nutritious dairy and other food products for the family. However, due to a legal quirk, WIC is not available for Americans on overseas military bases.
>
> This effort, by you and others, would help reduce the pressure on these young families, improve the health of mother and baby, and enhance the quality of life for Americans serving their country halfway around the world.

Janet perfectly summarized why we should provide WIC to our military personnel overseas.

My bill, and the amendment included in the DOD bill, provide that the Secretary of Defense will administer such a program under rules similar to the WIC program administered by the Secretary of Agriculture within the United States.

For 26 years the WIC program has provided nutritious foods to low-income pregnant, post-partum and breast-feeding women, infants, and children who are judged to be at a nutritional risk.

It has proven itself to be a great investment: For every dollar invested in the WIC program, an estimated $3 is saved in future medical expenses. WIC has helped to prevent low birth weight babies and associated risks such as developmental disabilities, birth defects, and other complications. Participation in the WIC program has also been linked to reductions in infant mortality.

These same benefits should be provided overseas to military families who are serving our country, living miles from their homes on military bases in foreign lands, and whose nutritional health is at risk. If they were stationed within our borders, their diets would be supplemented by the WIC program, and they would receive vouchers or packages of healthy foods, such as fortified cereals and juices, high protein products, and other foods especially rich in needed minerals and vitamins.

My staff has been in direct contact with military officials on this matter and they have expressed a strong desire for this reform. I know that many Vermonters stationed overseas want WIC benefits to be offered at their bases. We should not turn our backs on these Americans stationed abroad.

My bill last year, and this amendment, disregard the value of in-kind housing assistance in calculating eligibility which increases the number of women, infants and children that can participate and makes the program similar to the program in the United States. This is the correct approach—let's not shortchange our service personnel stationed overseas.

The average monthly food cost would be around $30 to $35 for each participant, based on Department of Defense estimates of the cost of an average WIC food package in military commissaries. As many as 40,000 to 50,000 persons could be eligible for this program, but it is uncertain how many of those would apply. In the United States, 80 percent of those who are eligible actually apply.

Administration costs—which include medical, health and nutrition assessments—are likely to be about $10 per month per participant. We know from experience that each dollar spent on WIC is a very wise investment, which is why I am very pleased that this amendment was accepted today.

I want to thank several Senate staff members who have worked on this issue, including Ed Barron and Elizabeth Darrow on my staff, Dave Johnson and Carol Dubard with Chairman LUGAR, Mark Halverson and Lowell Unger with Senator HARKIN, and Terry Van Doren with Senator FITZGERALD. Joe Richardson of CRS was also very helpful, as he has been over the years.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, June 14, 2000, the Federal debt stood at $5,643,728,718,133.89 (Five trillion, six hundred forty-three billion, seven hundred twenty-eight million, seven hundred eighteen thousand, one hundred thirty-three dollars and eighty-nine cents).

One year ago, June 14, 1999, the Federal debt stood at $5,608,265,000,000 (Five trillion, six hundred eight billion, two hundred sixty-five million).

Five years ago, June 14, 1995, the Federal debt stood at $4,905,557,000,000 (Four trillion, nine hundred five billion, five hundred fifty-seven million).

Ten years ago, June 14, 1990, the Federal debt stood at $3,122,390,000,000 (Three trillion, one hundred twenty-two billion, three hundred ninety million).

Fifteen years ago, June 14, 1985, the Federal debt stood at $1,766,279,000,000 (One trillion, seven hundred sixty-six billion, two hundred seventy-nine million) which reflects a debt increase of almost $4 trillion—$3,877,449,718,133.89 (Three trillion, eight hundred seventy-seven billion, four hundred forty-nine million, seven hundred eighteen thousand, one hundred thirty-three dollars and eighty-nine cents) during the past 15 years.

ADDITIONAL STATEMENTS

JOHN JAMES DALEY

● Mr. JEFFORDS. Mr. President, I rise today to pay tribute to an extraordinary Vermonter, John James Daley, who passed away last night at the age of 76. Mr. Daley leaves behind a devoted wife, a loving family and a grieving community which will miss his leadership and example.

Jack, as he was known, was born in my hometown of Rutland, Vermont on June 21, 1923 to John M. and Bridget C. Daley. He attended Norwich University and proudly served as a member of the United States Marine Corps in the Phillippines and other parts of Asia. He found his niche as a public servant in 1956 when he was elected to the Rutland Board of Aldermen. From there he served as mayor for two years from 1961 to 1965, becoming the youngest man ever to have held the position.

In November of 1965 Jack was elected Lieutenant Governor of Vermont and served two terms with Governor Phil Hoff. Jack continued his career as a role model and advisor when he joined the Rutland Public School system as a teacher for many years. Through his lectures and by acting as a role model, he enriched the minds of our Vermont youth as he taught history, citizenship and American government. In 1981

Jack returned to the office of mayor and from there continued his legacy as he was reelected in 1983 and 1985. He continued to represent the interests of his hometown as he sought and served two terms in the Vermont House representing Rutland District 6–2.

Jack was a devoted family man. More than fifty years ago he married another Rutland native, Mary Margaret Creed. Together they became the proud parents of eleven children, nine girls and two boys. Mary's everlasting energy allowed her not only to raise their own eleven children but tirelessly work as a nurse in the nursery at the Rutland Hospital helping to care for the children of others. Ceaseless in her dedication, she continues to help out when needed despite her retirement.

Today, I pay tribute to the accomplishments of this public servant, father, husband and my friend, John James Daley. Today, Rutland and the entire state of Vermont grieve for a great man. Farewell, Jack. You will be truly missed.●

NATIONAL SERVICE—LEARNING LEADER SCHOOL AWARD WINNERS

● Mr. KENNEDY. Mr. President, the Corporation for National Service recently announced the winners of the second annual National Service—Learning Leader Schools Program, a Presidential Award that recognizes schools for excellence in service-learning.

Learn and Serve America, one of the three national service programs of the Corporation for National Service, is sponsoring the Leader Schools initiative. In its second year, the Leader Schools program is honoring 34 middle schools and 32 high schools in 31 states for thoughtfully and effectively combining academic subjects with community service in a way that benefits students, teaches civic responsibility, and strengthens communities.

Service-learning is expanding in the United States. The Department of Education found that in 1984, only 27 percent of all high schools had school-sponsored community service projects and only 9 percent offered service-learning. By the 1998–99 school year, those numbers rose to a remarkable 83 percent and 46 percent, respectively.

Three schools in Massachusetts—Wareham High School and Wareham Middle School in Wareham and Tantasqua Regional Junior High School in Fiskdale have been leaders in our state on service-learning and were honored as National Service Learning Leader Schools this year. I commend each of these schools for the important work they have accomplished in making community service an integral part of school life. These schools are impressive models for Massachusetts and for the nation.

The Leader Schools program is not simply an awards program. The schools being honored are making a two year commitment to assist other schools through mentoring and coaching, thereby contributing to the spread of service-learning throughout the country.

The Corporation for National Service also administers AmeriCorps, the domestic Peace Corps that is engaging Americans in extensive, service activities in this country. In addition, the Corporation administers the National Senior Service Corps which enables nearly half a million Americans age fifty-five and older to share their time and talents to help solve local problems.

All of these outstanding programs are achieving great success under the strong leadership of our former colleague in the Senate, Harris Wofford, the chief executive officer of the Corporation.

The sixty-six Leader Schools will be honored in a ceremony at the Kennedy Center this week. These schools are true leaders in education reform. I commend them for their academic achievements and their contributions to our country through community service, and I ask the list of the Leader Schools may be printed in the RECORD.

2000 NATIONAL SERVICE—LEARNING LEADER SCHOOLS

Academy for Science and Foreign Language, Huntsville, AL; Eureka Senior High School, Eureka, CA; Irvington High School, Fremont, CA; Howard High School of Technology, Wilmington, DE; Wakulla Middle School, Crawfordville, FL; Neptune Middle School, Kissimmee, FL; Bay High School, Panama City, FL; Taylor County High School, Perry, FL; Carol Shores High School, Tavernier, FL; Waiakea High School, Hilo, HI; Punahou School, Honolulu, HI; President George Washington Middle School, Honolulu, HI; Bettendorf High School, Bettendorf, IA; Resurrection High School, Chicago, IL; Field Middle School, Northbrook, IL, Paoli Senior High School, Paoli, IN; Warren Central High School, Bowling Green, KY; North Laurel Middle School, London, KY; East Jessamine Middle School, Nicholasville, KY; Tantasqua Regional Jr. High School, Fiskdale, MA; Wareham High School, Wareham, MA; Wareham Middle School, Wareham, MA;

Phillips Middle School, Phillips, ME; Lahser High School, Bloomfield Hills, MI; Romulus High School, Romulus, MI; Fulton Academy, Fulton, MO; Tupelo Middle School, Tupelo, MS; Chief Joseph Middle School, Bozeman, MT; Lewistown Junior High School, Lewistown, MT; Ramsey Street Alternative Middle School, Fayetteville, NC; Ferndale Middle School, Highpoint, NC; Piedmont High School, Monroe, NC; Woodbury Middle School, Salem, NH; Woodsville High School, Woodsville, NH; Cranford High School, Cranford, NJ; Academy of the Holy Angels, Demarest, NJ; Terence C. Reilly Middle School, Elizabeth, NJ; Delsea Regional Middle School, Franklinville, NJ; Hoboken Charter School, Hoboken, NJ; John F. Kennedy Memorial High School, Iselin, NJ; Linden High School, Linden, NJ; Opportunity School, Reno, NV; Scotia-Glenville Junior High School, Scotia, NY;

W.T. Clarke Middle School, Westbury, NY; Russell F. Hobart Middle School, Painesville, OH; Hastings Middle School, Upper Arlington, OH; Jones Middle School, Upper Arlington, OH; The Environmental Middle School, Portland, OR; Tillamook Junior High School, Tillamook, OR; Lamberton Middle School, Carlisle, PA; Parkway West Alternative Center for Education, Oakdale, PA; Feinstein High School for Public Service, Providence, RI; D.R. Hill Middle School, Duncan, SC; Britton's Neck High School, Gresham, SC; Pickens Middle School, Pickens, SC; Wren Middle School, Piedmont, SC; Camp Creek School, Greeneville, TN; Harpeth Hall School, Nashville, TN; Quest High School, Humble, TX; Weatherford High School, Weatherford, TX; Box Elder Community High School, Brigham City, UT; Evergreen Junior High, Salt Lake City, UT; William E. Waters Middle School, Portsmouth, VA; River Bluff Middle School, Stoughton, WI; WVDE at Davis Stuart School, Lewisburg, WV; Morgantown High School, Morgantown, WV.●

TRIBUTE TO SUSAN SYGALL

● Mr. HARKIN. Mr. President, July 26 will mark the 10th Anniversary of the Americans with Disabilities Act. In the next few weeks we'll be holding a number of events here in Washington and around the country to celebrate the ADA. And right now it looks like we can start our party a little early.

I just found out that yesterday, Susan Sygall, a woman with a disability, received a MacArthur Foundation Fellowship. Each year, the MacArthur Foundation awards 20 or so unrestricted $500,000 grants to, and I quote, ''talented individuals who have shown extraordinary originality and dedication. . . .'' These so-called ''genius grants'' are among the most prestigious in the world.

Susan is the Executive Director of Mobility International USA. Mobility International's mission is to empower people with disabilities, particularly women, through international exchange, and by providing information, technical assistance, and training to ensure the inclusion of people with disabilities in international exchange and development programs.

Right now, Mobility International is, among other things, facilitating a program to develop relationships between the disability communities in Vietnam and in the United States. Some of Susan's genius must have rubbed off on us in the Foreign Operations Committee because we encouraged USAID to fund disability rights programs in Vietnam. I hope that we can help the program again this year.

I strongly believe that for all of America's economic and military might, our greatest strength will always be our democratic principles. Those principles have served as the foundation for aspiring democracies everywhere. As our own democracy matures, and the ADA is a testament to that, it is essential that we export the lessons we have learned.

I have seen personally how the ADA has fostered disability rights activism around the world and as the 10th Anniversary approaches I can think of no better person to honor than Susan Sygall. A civil rights law is only as great as the people who bring it to life every day. That's why when I hear about people like Susan, I know that the ADA's future is in good hands.●

COMMEMORATING THE 150TH ANNIVERSARY OF THE TOWN OF SEYMOUR, CONNECTICUT

● Mr. DODD. Mr. President. I rise today to pay tribute to the town of Seymour, nestled in the Lower Naugatuck Valley of Connecticut. Located in New Haven County with the Lower Housatonic River nearby, Seymour offers its residents a wide variety of recreational activities, history, industry, and a strong sense of community with an emphasis on education. Seymour was formally founded on June 24, 1850, when the town's council held its first meeting. I rise today to congratulate Seymour on its Sesquicentennial anniversary, 150 years as a town, and to reflect for just a few moments on the rich history of this town.

The Naugatuck Valley increased in importance during the early 1800s because of its valuable natural resources and industrial growth. Due to different manufacturing concerns and the desire to separate and become their own community, the town of Seymour, then called Humphreysville, petitioned the state legislature to become the town of ''Richmond.'' Thomas H. Seymour, who was the Governor of the state of Connecticut, promised the people that if the town was named in his honor, the bill would be accepted immediately. Evidently, the good people of the town agreed, for shortly thereafter the town of Seymour was formally constituted.

Throughout the years, companies have prospered and grown in Seymour, paralleled by the development and expansion of the town itself. The H.P. & E. Day Company began in Seymour in 1865, and has developed into the Waterman Pen Company of France, producers of some of the world's finest fountain pens. Telegraph cables that could be placed underwater were developed by Austin Goodyear Day in Seymour in the mid-nineteenth century, and continue to be produced by the Kerite Company, presently located on Day Street. With the vital shipping lanes of the Housatonic River, as well as the region's railroads and factories, Seymour flourished throughout the late nineteenth century, and within the town a broad range of products—from copper to paper to bottled spring water—was produced. Outside of the industrial diversity of Seymour, one is immediately aware of the natural beauty of the area. Not only is the Housatonic River one of New England's greatest assets, but it also provides recreational activities such as canoeing and fishing for local residents.

I have had the pleasure of visiting the town of Seymour on many occasions, and am always impressed with the natural beauty and spectacular resourcefulness of the residents. One thing that has lingered in my mind from past visits is the strong sense of community, and the emphasis on the importance of education. Seymour offers residents an abundance of entertainment and activities through the Seymour Recreation Commission, a strong police force led by Police Chief Michael E. Metzler, the Seymour Senior Center, cultural and performing arts events through the Seymour Culture and Arts Commission, and celebrations of important national holidays such as Memorial Day through local events and parades. In the realm of education, Superintendent Eugene A. Coppola has continued to uphold the fine reputation of local schools, which have seen recent increases in test scores, state-of-the-art expansion of Bungay Elementary School, the strengthening of the core curriculum, and a majority of students participating in extracurricular activities. One of the most important facets of the school system in Seymour is the DARE program, instilling in students the importance of remaining drug-free.

Seymour in the year 2000 is in many respects a great American town. It is a place where businesses can prosper, where families can thrive, and where a sense of community permeates everyday life. In recognizing this important anniversary in the life of the town, we pay homage to all those who have in the past contributed to making Seymour the outstanding place it is today. And we congratulate those current residents who pause on this occasion not only to remember the past, but who dedicate themselves to the future success and vitality of this remarkable town they call home.●

MESSAGE FROM THE HOUSE

At 12:40 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4577. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

MEASURES REFERRED

The following joint resolution was read the first and second times by unanimous consent and referred as indicated on June 14, 2000:

H.J. Res. 101. An act recognizing the 225th birthday of the United States Army; to the Committee on the Judiciary.

The following concurrent resolution was read, and referred as indicated on June 14, 2000:

H. Con. Res. 266. Concurrent resolution expressing the sense of Congress regarding the benefits of music education; to the Committee on Health, Education, Labor, and Pensions.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–9218. A communication from the Executive Director of Government Affairs, Non Commissioned Officers Association of the United States of America, transmitting, pursuant to law, the report of financial statements for calendar years 1998 and 1999; to the Committee on the Judiciary.

EC–9219. A communication from the Secretary of Energy, transmitting, pursuant to law, the report on federal government energy management and conservation programs, fiscal year 1998; to the Committee on Energy and Natural Resources.

EC–9220. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report entitled ''Deposition of Air Pollutants to the Great Waters''; to the Committee on Environment and Public Works.

EC–9221. A communication from the Chairman of the Board of the National Credit Union Administration, transmitting, pursuant to law, the notice of establishing and adjusting schedules of compensation; to the Committee on Banking, Housing, and Urban Affairs.

EC–9222. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the report of the audited fiscal years 1998 and 1999 financial statements of the U.S. Mint; to the Committee on Banking, Housing, and Urban Affairs.

EC–9223. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled ''Review of the Financial and Administrative Activities of the Taxicab Assessment Fund for Fiscal Years 1997, 1998, and 1999''; to the Committee on Governmental Affairs.

EC–9224. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled ''Status of the Washington Convention Center Authority's Implementation of D.C. Auditor Recommendations''; to the Committee on Governmental Affairs.

EC–9225. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report on birth defects and developmental disabilities programs at the Centers for Disease Control and Prevention; to the Committee on Health, Education, Labor, and Pensions.

EC–9226. A communication from the Chairman of the President's Committee On Employment of People With Disabilities, transmitting, pursuant to law, a report entitled ''Programs That Work Producing People at Work''; to the Committee on Health, Education, Labor, and Pensions.

EC–9227. A communication from the Assistant Secretary of Defense for Health Affairs, transmitting, pursuant to law, the report on improvements to claims processing under the Tricare Program; to the Committee on Armed Services.

EC–9228. A communication from the Principal Deputy Under Secretary of Defense, transmitting, pursuant to law, the report on the Cooperative Threat Reduction (CTR) Multi-Year Program Plan for fiscal year 2000; to the Committee on Armed Services.

EC–9229. A communication from the Commissioner of Social Security, transmitting, pursuant to law, the report of the Inspector General for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC–9230. A communication from the Chair of the Board of Directors of the Corporation for Public Broadcasting, transmitting, pursuant to law, the report of the Inspector General for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC–9231. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the report of the Inspector General for the period October 1, 1999 through

March 31, 2000; to the Committee on Governmental Affairs.

EC–9232. A communication from the Federal Co-Chairman of the Appalachian Regional Commission, transmitting, pursuant to law, the report of the Inspector General for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC–9233. A communication from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, the report of the Inspector General for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC–9234. A communication from the Chairman of the Consumer Product Safety Commission, transmitting, pursuant to law, the report of the Inspector General for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC–9235. A communication from the Chairman of the National Credit Union Administration, transmitting, pursuant to law, the report of the Inspector General for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC–9236. A communication from the Administrator of the U.S. Agency For International Development, transmitting, pursuant to law, the report of the Inspector General for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC–9237. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of the Inspector General for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 11: A bill for the relief of Wei Jingsheng.

S. 150: A bill to the relief of Marina Khalina and her son, Albert Mifakhov.

S. 451: A bill for the relief of Saeed Rezai.

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute and an amendment to the title:

S. 1078: A bill for the relief of Mrs. Elizabeth Eka Bassey and her children, Emmanuel O. Paul Bassey, Jacob Paul Bassey, and Mary Idongesit Paul Bassey.

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 1513: A bill for the relief of Jacqueline Salinas and her children Gabriela Salinas, Alejandro Salinas, and Omar Salinas.

S. 2019: A bill for the relief of Malia Miller.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. MCCAIN for the Committee on Commerce, Science, and Transportation.

Delmond J.H. Won, of Hawaii, to be a Federal Maritime Commission for the term expiring June 30, 2002.

J. Randolph Babbitt, of Virginia, to be a Member of the Federal Aviation Management Advisory Council for a term of three years.

Robert W. Baker, of Texas, to be a Member of the Federal Aviation Management Advisory Council for a term of three years.

Geoffrey T. Crowley, of Wisconsin, to be a Member of the Federal Aviation Management Advisory Council for a term of two years.

Robert A. Davis, of Washington, to be a Member of the Federal Aviation Management Advisory Council for a term of two years.

Kendall W. Wilson, of the District of Columbia, to be a Member of the Federal Aviation Management Advisory Council for a term of one year.

Edward M. Bolen, of Maryland, to be a Member of the Federal Aviation Management Advisory Council for a term of two years.

(The above nominations were reported with the recommendation that they be confirmed subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. MCCAIN. Mr. President, for the Committee on Commerce, Science, and Transportation, I report favorably nomination lists which were printed in the RECORDS of the dates indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that these nominations lie at the Secretary's desk for the information of Senators.

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

Coast Guard nominations beginning Jeffrey D. Kotson and ending Kimberly Orr, which nominations were received by the Senate and appeared in the Congressional Record on April 25, 2000.

By Mr. HATCH for the Committee on the Judiciary.

Julio F. Mercado, of Texas, to be Deputy Administrator of Drug Enforcement.

Beverly B. Martin, of Georgia, to be United States District Judge for the Northern District of Georgia.

Jay A. Garcia-Gregory, of Puerto Rico, to be United States District Judge for the District of Puerto Rico.

James L. Whigham, of Illinois, to be United States Marshall for the Northern District of Illinois for the term of four years.

Laura Taylor Swain, of New York, to be United States District Judge for the Southern District of New York.

Daniel G. Webber, Jr., of Oklahoma, to be United States Attorney for the Western District of Oklahoma.

Russell John Qualliotine, of New York, to be United States Marshal for the Southern District of New York for the term of four years.

(The above nominations were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. GRAMM:

S. 2732. A bill to ensure that all States participating in the National Boll Weevil Eradication Program are treated equitably; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SANTORUM (for himself, Mr. KERRY, and Mr. SARBANES):

S. 2733. A bill to provide for the preservation of assisted housing for low income elderly persons, disabled persons, and other families; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. FITZGERALD:

S. 2734. A bill to amend the United States Warehouse Act to authorize the issuance of electronic warehouse receipts, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. CONRAD (for himself, Mr. GRASSLEY, Mr. DASCHLE, Mr. BAUCUS, Mr. KERREY, Mr. JEFFORDS, Mr. ROCKEFELLER, Mr. THOMAS, Mr. HARKIN, Mr. ROBERTS, Mr. JOHNSON, Mr. COCHRAN, and Mrs. LINCOLN):

S. 2735. A bill to promote access to health care services in rural areas; to the Committee on Finance.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 2736. A bill to provide compensation for victims of the fire initiated by the National Park Service at Bandelier National Monument, New Mexico; to the Committee on Environment and Public Works.

By Mr. LUGAR (for himself and Mr. HARKIN):

S. 2737. A bill to amend the United States Grain Standards Act to extend the authority of the Secretary of Agriculture to collect fees, extend the authorization of appropriations, and improve the administration of that Act, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. JEFFORDS (for himself, Mr. FRIST, and Mr. ENZI):

S. 2738. A bill to amend the Public Health Service Act to reduce medical mistakes and medication-related errors; to the Committee on Health, Education, Labor, and Pensions.

By Mr. LAUTENBERG (for himself, Mr. HELMS, Mr. MOYNIHAN, Mr. ROTH, Mr. THURMOND, and Mr. WARNER):

S. 2739. A bill to amend title 39, United States Code, to provide for the issuance of a semipostal stamp in order to afford the public a convenient way to contribute to funding for the establishment of the World War II Memorial; to the Committee on Governmental Affairs.

By Ms. LANDRIEU:

S. 2740. A bill to provide for the establishment of Individual Development Accounts (IDAs) that will allow individuals and families with limited means an opportunity to accumulate assets, to access education, to own their own homes and businesses, and ultimately to achieve economic self-sufficiency, and to increase the limit on deductible IRA contributions, and for other purposes; to the Committee on Finance.

By Mr. JOHNSON (for himself, Mr. CONRAD, Mr. HARKIN, Mr. DORGAN, Mr. ROBERTS, Mr. LEVIN, Mr. KERREY, Mr. GRASSLEY, and Mr. CRAIG):

S. 2741. A bill to amend the Agricultural Credit Act of 1987 to extend the authority of the Secretary of Agriculture to provide grants for State mediation programs dealing with agricultural issues, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SMITH of Oregon (for himself, Mr. ABRAHAM, Mr. ASHCROFT, Mr. BURNS, Mr. SANTORUM, Mr. GORTON, Mrs. HUTCHISON, Mr. ALLARD, Mr. BENNETT, Mr. COVERDELL, Mr. GREGG, Mr. HELMS, Mr. THOMAS, Mr. INHOFE, Mr. MACK, Mr. WARNER, Mr. BUNNING, Mr. LOTT, Mr. MCCONNELL, Mr. CRAPO, and Mr. ROBERTS):

S. 2742. A bill to amend the Internal Revenue Code of 1986 to increase disclosure for certain political organizations exempt from tax under section 527 and section 501(c), and for other purposes; read the first time.

By Mr. KENNEDY (for himself, Mr. DODD, and Mrs. MURRAY):

S. 2743. A bill to amend the Public Health Service Act to develop an infrastructure for creating a national voluntary reporting system to continually reduce medical errors and improve patient safety to ensure that individuals receive high quality health care; to the Committee on Health, Education, Labor, and Pensions.

By Mr. ASHCROFT:

S. 2744. A bill to ensure fair play for family farms; to the Committee on the Judiciary.

By Mr. ASHCROFT:

S. 2745. A bill to provide for grants to assist value-added agricultural businesses; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ASHCROFT:

S. 2746. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for investment by farmers in value-added agricultural property; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. LAUTENBERG:

S. Con. Res. 123. A concurrent resolution expressing the sense of the Congress regarding manipulation of the mass and intimidation of the independent press in the Russian Federation, expressing support for freedom of speech and the independent media in the Russian Federation, and calling on the President of the United States to express his strong concern for freedom of speech and the independent media in the Russian Federation; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAMM:

S. 2732. A bill to ensure that all States participating in the National Boll Weevil Eradication Program are treated equitably; to the Committee on Agriculture, Nutrition, and Forestry.

THE BOLL WEEVIL ERADICATION EQUITY ACT

● Mr. GRAMM. Mr. President, today I am introducing the Boll Weevil Eradication Equity Act. Boll weevil infestation has caused more than $15 billion worth of damage to the United States cotton crop, and the nation's cotton producers lose $300 million annually. Texas is the largest cotton producing state in the nation, yet the scope of this problem extends beyond Texas. The ability of all states to eradicate this pest would stop future migration to boll weevil-free areas and prevent reintroduction of the boll weevil into those areas which have already completed a successful eradication effort.

We must continue to build upon the past success of the existing program that authorizes the Animal and Plant Health Inspection Service of the United States Department of Agriculture to join with individual states and provide technical assistance and federal cost-share funds. This highly successful partnership has resulted in complete boll weevil eradication in California, Florida, Arizona, Alabama, Georgia, Virginia and North Carolina. These states received an average federal cost-share of 26.9 percent, with producers and individual states paying the remaining cost.

Since 1994, however, the program has expanded into Texas, Mississippi, Arkansas, Louisiana, Tennessee, Oklahoma and New Mexico, but the federal appropriation has remained relatively constant. The addition of this vast acreage has resulted in dramatically reducing the federal cost share to only 4 percent, leaving producers and individual states to fund the remaining 96 percent. This is not fair to the states now participating in the program because federal matching funds to the states enrolled in the early years of the program constituted almost 30 percent of eradication costs.

The National Cotton Council estimates that for every $1 spent on eradication, cotton farmers will accrue about $12 in benefits. The bill I am introducing today will authorize a federal cost share contribution of not less than 26.9 percent to the states and producers which still must contend with boll weevil infestation. I urge my colleagues to join this effort to ensure that these producers receive no less support than that which was provided during the earlier stages of the program.

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. 2732

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 ''Boll Weevil Eradication Equity Act''.

SEC. 2. FINDINGS.

Congress finds that—

(1) as of the date of enactment of this Act, infestation by Anthonomus grandis (commonly known as the ''boll weevil'') has caused more than $15,000,000,000 in damage to cotton crops of the United States and costs cotton producers in the United States approximately $300,000,000 annually;

(2) through the National Boll Weevil Eradication Program (referred to in this Act as the ''program''), the Animal and Plant Health Inspection Service of the Department of Agriculture partners with producers to provide technical assistance and Federal cost share funds to States in an effort to eradicate the boll weevil;

(3) States that enrolled in the program before 1994 have since been able to complete boll weevil eradication and were provided a Federal cost share that accounted for an average of 26.9 percent of the total cost of eradication;

(4) States that enrolled in the program in or after 1994 account for 65 percent of the national cotton acreage and are now provided an average Federal cost share of only 4 percent, placing a tremendous financial burden on the individual producers;

(5) the addition of vast acreage into the program has resulted in an increased need for Federal cost share funds;

(6) a producer that participates in the program today deserves not less than the same level of commitment that was provided to producers that enrolled in the program before 1994; and

(7) the ability of all States to eradicate the boll weevil would prevent further migration of the boll weevil to boll weevil-free areas and reintroduction of the boll weevil in those areas having completed boll weevil eradication.

SEC. 3. BOLL WEEVIL ERADICATION ASSISTANCE.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of Agriculture shall provide funds to pay at least 26.9 percent of the total program costs incurred by producers participating in the program.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this Act such sums as are necessary for fiscal years 2001 through 2004.●

By Mr. SANTORUM (for himself and Mr. SARBANES):

S. 2733. A bill to provide for the preservation of assisted housing for low income elderly persons, disabled persons, and other families; to the Committee on Banking, Housing, and Urban Affairs.

AFFORDABLE HOUSING FOR SENIORS AND FAMILIES ACT

● Mr. SANTORUM. Mr. President, I rise with great pride to introduce the Affordable Housing for Seniors and Families Act. I am very pleased to say that Senator KERRY of Massachusetts and Senator SARBANES are original co-sponsors of this bill.

Even as our national economy flourishes, many Americans are struggling to find safe, decent, sanitary, affordable housing. HUD estimates that 5.4 million families are either paying over half of their incomes for rent or living in substandard housing. Of these households, 1.4 million, or 26%, are elderly or disabled. The scarcity of affordable housing is particularly troubling for seniors and the disabled who may require special structural accommodations in their homes.

As Vice Chairman of the Subcommittee on Housing and Transportation, and as a member of the Aging Committee, I feel a heightened sense of urgency in helping these special populations find housing. Thus, I am pleased to offer a bill which: reauthorizes federal funding for elderly and disabled housing programs; expands supportive housing opportunities for these special populations; codifies options to enhance the financial viability of the projects; assists sponsors in offering a ''continuum of care'' that allows people to live independently and with dignity; offers incentives to preserve the stock of affordable housing that is at risk of loss due to prepayment, Section 8 opt-out, or deterioration; and modernizes current laws allowing the FHA to insure mortgages on hospitals, assisted living facilities, and nursing homes. Together, I believe these measures will help to fill the critical housing needs of elderly and disabled families.

On September 27, 1999, the House of Representatives overwhelmingly approved the Preserving Affordable Housing for Senior Citizens in the 21st Century Act (H.R. 202) by a vote of 405–5.

Several aspects of H.R. 202, which protected residents in the event that their landlords did not renew their project based Section 8 contracts, were included in the FY 2000 VA-HUD appropriations bill. The legislation I offer today is modeled on the House-passed bill, without the preservation provisions that have already been enacted. I would like to take a few moments to highlight the major provisions of this bill.

The Section 202 elderly housing program and the Section 811 disabled housing program each provide crucial affordable housing for very low-income individuals, whose incomes are 50 percent or below of the area median income. By law, sponsors, or owners, of Section 202 or Section 811 housing must be non-profit organizations. Many sponsors are faith-based. The Affordable Housing for Seniors and Families Act will increase the stock of Section 202 and 811 housing in several ways. First, it reauthorizes funding for Section 202 and 811 housing programs in the amount of $700 million and $225 million, respectively, in FY 01. Such sums as are necessary are authorized for FY 02 through FY 04. Second, it creates an optional matching grant program that will enable sponsors to leverage additional money for construction. Third, it allows Section 202 housing sponsors to buy new properties.

This legislation also codifies options giving owners financial flexibility to use sources of income besides the Section 202 and Section 811 funds. For instance, by requiring HUD to approve prepayment of the 202 mortgages, this bill allows sponsors to build equity in their projects, which can be used to leverage funding for capital improvements or services for tenants. It gives sponsors maximum flexibility to use all sources of financing, including federal money, for construction, amenities, and relevant design features. In order to raise additional outside revenue and offer a convenience to tenants, owners are permitted to rent space to commercial facilities. In the cases of both Section 202 and 811 housing, owners may use their project reserves to retrofit or modernize obsolete or unmarketable units. Finally, this bill allows project sponsors to form limited partnerships with for-profit entities. Through such a partnership, sponsors can also compete for the Low Income Housing Tax Credit, and build larger developments.

The importance of providing a ''continuum of care'' for seniors and disabled persons to continue living independently is addressed in the Affordable Housing for Seniors and Families Act. For example, this bill helps seniors stay in their apartments as they become older and more frail by authorizing competitive grants for conversion of elderly housing and public housing projects designated for occupancy by elderly persons to assisted living facilities. Responding to obstacles the handicapped face in finding special-needs housing, it allows private non-profits to administer tenant-based rental assistance for the disabled. It also ensures that funding will continue to be invested in building housing for the disabled by limiting funding for tenant-based assistance under the Section 811 program to 25% of the program's appropriation. Funding for service coordinators, who link residents with supportive or medical services in the community, is authorized through FY 04. Moreover, service coordinators are permitted to assist low-income elderly or disabled families in the vicinity of their projects. Seniors who live in their own houses will be assisted by a provision in Title V which allows them to maximize the equity in their homes by streamlining the process of refinancing an existing federal-insured reverse mortgage.

Title IV of this legislation focuses on preserving the existing stock of federally assisted properties as affordable housing for low and very low-income families. Each year, 100,000 low-cost apartments across the country are demolished, abandoned, or converted to market rate use. For every 100 extremely low-income households, having 30% or less of area median income, only 36 units were both affordable and available. Even in rural areas, the potential loss of assisted, affordable housing is very real due to prepayment of mortgages, opt-out of assisted housing programs upon contract expirations, frustration with government bureaucracy, or simply a recognition that the building would be more profitable as market-rate housing. Title IV responds with a matching grant program to assist state and local governments who are devoting their own money to affordable housing preservation. Likewise, it authorizes a competitive grant program to assist nonprofits in buying federally assisted property.

Current law allowing the Federal Housing Administration (FHA) to insure mortgages on hospitals, nursing homes, and assisted living facilities has become outdated. Title V modernizes the law and removes barriers to using FHA insurance for such facilities. Likewise, it recognizes the integrated nature of healthcare by allowing the FHA to provide mortgage insurance for ''integrated service facilities,'' such as ambulatory care centers, which treat sick, injured, disabled, elderly, or infirm persons.

Mr. President, I urge my colleagues to cosponsor this important bipartisan legislation. In closing, I would like to express my gratitude to Senator KERRY for working closely with me on this important legislation. I also would like to thank Senator SARBANES for his cosponsorship.

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. 2733

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Affordable Housing for Seniors and Families Act''.

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

Sec. 1. Short title and table of contents.
Sec. 2. Regulations.
Sec. 3. Effective date.
TITLE I—REFINANCING FOR SECTION 202 SUPPORTIVE HOUSING FOR THE ELDERLY
Sec. 101. Prepayment and refinancing.
TITLE II—AUTHORIZATION OF APPROPRIATIONS FOR SUPPORTIVE HOUSING FOR THE ELDERLY AND PERSONS WITH DISABILITIES
Sec. 201. Supportive housing for elderly persons.
Sec. 202. Supportive housing for persons with disabilities.
Sec. 203. Service coordinators and congregate services for elderly and disabled housing.
TITLE III—EXPANDING HOUSING OPPORTUNITIES FOR THE ELDERLY AND PERSONS WITH DISABILITIES
Subtitle A—Housing for the Elderly
Sec. 301. Matching grant program.
Sec. 302. Eligibility of for-profit limited partnerships.
Sec. 303. Mixed funding sources.
Sec. 304. Authority to acquire structures.
Sec. 305. Mixed-income occupancy.
Sec. 306. Use of project reserves.
Sec. 307. Commercial activities.
Sec. 308. Mixed finance pilot program.
Sec. 309. Grants for conversion of elderly housing to assisted living facilities.
Sec. 310. Grants for conversion of public housing projects to assisted living facilities.
Sec. 311. Annual HUD inventory of assisted housing designated for elderly persons.
Sec. 312. Treatment of applications.
Subtitle B—Housing for Persons With Disabilities
Sec. 321. Matching grant program.
Sec. 322. Eligibility of for-profit limited partnerships.
Sec. 323. Mixed funding sources.
Sec. 324. Tenant-based assistance.
Sec. 325. Use of project reserves.
Sec. 326. Commercial activities.
Subtitle C—Other Provisions
Sec. 341. Service coordinators.
TITLE IV—PRESERVATION OF AFFORDABLE HOUSING STOCK
Sec. 401. Matching grant program for affordable housing preservation.
Sec. 402. Assistance for nonprofit purchasers preserving affordable housing.
Sec. 403. Section 236 assistance.
Sec. 404. Preservation projects.
TITLE V—MORTGAGE INSURANCE FOR HEALTH CARE FACILITIES AND HOME EQUITY CONVERSION MORTGAGES
Sec. 501. Rehabilitation of existing hospitals, nursing homes, and other facilities.
Sec. 502. New integrated service facilities.
Sec. 503. Hospitals and hospital-based integrated service facilities.
Sec. 504. Home equity conversion mortgages.

SEC. 2. REGULATIONS.

The Secretary of Housing and Urban Development (referred to in this Act as the ''Secretary'') shall issue any regulations to carry

out this Act and the amendments made by this Act that the Secretary determines may or will affect tenants of federally assisted housing only after notice and opportunity for public comment in accordance with the procedure under section 553 of title 5, United States Code, applicable to substantive rules (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). Notice of such proposed rulemaking shall be provided by publication in the Federal Register. In issuing such regulations, the Secretary shall take such actions as may be necessary to ensure that such tenants are notified of, and provided an opportunity to participate in, the rulemaking, as required by such section 553.

SEC. 3. EFFECTIVE DATE.

(a) IN GENERAL.—The provisions of this Act and the amendments made by this Act are effective as of the date of enactment of this Act, unless such provisions or amendments specifically provide for effectiveness or applicability upon another date certain.

(b) EFFECT OF REGULATORY AUTHORITY.—Any authority in this Act or the amendments made by this Act to issue regulations, and any specific requirement to issue regulations by a date certain, may not be construed to affect the effectiveness or applicability of the provisions of this Act or the amendments made by this Act under such provisions and amendments and subsection (a) of this section.

TITLE I—REFINANCING FOR SECTION 202 SUPPORTIVE HOUSING FOR THE ELDERLY

SEC. 101. PREPAYMENT AND REFINANCING.

(a) APPROVAL OF PREPAYMENT OF DEBT.—Upon request of the project sponsor of a project assisted with a loan under section 202 of the Housing Act of 1959 (as in effect before the enactment of the Cranston-Gonzalez National Affordable Housing Act), the Secretary shall approve the prepayment of any indebtedness to the Secretary relating to any remaining principal and interest under the loan as part of a prepayment plan under which—

(1) the project sponsor agrees to operate the project until the maturity date of the original loan under terms at least as advantageous to existing and future tenants as the terms required by the original loan agreement or any rental assistance payments contract under section 8 of the United States Housing Act of 1937 (or any other rental housing assistance programs of the Department of Housing and Urban Development, including the rent supplement program under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s)) relating to the project; and

(2) the prepayment may involve refinancing of the loan if such refinancing results in a lower interest rate on the principal of the loan for the project and in reductions in debt service related to such loan.

(b) SOURCES OF REFINANCING.—In the case of prepayment under this section involving refinancing, the project sponsor may refinance the project through any third party source, including financing by State and local housing finance agencies, use of tax-exempt bonds, multi-family mortgage insurance under the National Housing Act, reinsurance, or other credit enhancements, including risk sharing as provided under section 542 of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note). For purposes of underwriting a loan insured under the National Housing Act, the Secretary may assume that any section 8 rental assistance contract relating to a project will be renewed for the term of such loan.

(c) USE OF UNEXPENDED AMOUNTS.—Upon execution of the refinancing for a project pursuant to this section, the Secretary shall make available at least 50 percent of the annual savings resulting from reduced section 8 or other rental housing assistance contracts in a manner that is advantageous to the tenants, including—

(1) not more than 15 percent of the cost of increasing the availability or provision of supportive services, which may include the financing of service coordinators and congregate services;

(2) rehabilitation, modernization, or retrofitting of structures, common areas, or individual dwelling units;

(3) construction of an addition or other facility in the project, including assisted living facilities (or, upon the approval of the Secretary, facilities located in the community where the project sponsor refinances a project under this section, or pools shared resources from more than 1 such project); or

(4) rent reduction of unassisted tenants residing in the project according to a pro rata allocation of shared savings resulting from the refinancing.

(d) USE OF CERTAIN PROJECT FUNDS.—The Secretary shall allow a project sponsor that is prepaying and refinancing a project under this section—

(1) to use any residual receipts held for that project in excess of $500 per individual dwelling unit for not more than 15 percent of the cost of activities designed to increase the availability or provision of supportive services; and

(2) to use any reserves for replacement in excess of $1,000 per individual dwelling unit for activities described in paragraphs (2) and (3) of subsection (c).

(e) BUDGET ACT COMPLIANCE.—This section shall be effective only to extent or in such amounts that are provided in advance in appropriation Acts.

TITLE II—AUTHORIZATION OF APPROPRIATIONS FOR SUPPORTIVE HOUSING FOR THE ELDERLY AND PERSONS WITH DISABILITIES

SEC. 201. SUPPORTIVE HOUSING FOR ELDERLY PERSONS.

Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) is amended by adding at the end the following:

''(m) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for providing assistance under this section $700,000,000 for fiscal year 2001 and such sums as may be necessary for each of fiscal years 2002, 2003, and 2004. Of the amount provided in appropriation Acts for assistance under this section in each such fiscal year, 5 percent shall be available only for providing assistance in accordance with the requirements under subsection (c)(4) (relating to matching funds), except that if there are insufficient eligible applicants for such assistance, any amount remaining shall be used for assistance under this section.''.

SEC. 202. SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES.

Section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013) is amended by striking subsection (m) and inserting the following:

''(m) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for providing assistance under this section $225,000,000 for fiscal year 2001 and such sums as may be necessary for each of fiscal years 2002, 2003, and 2004. Of the amount provided in appropriation Acts for assistance under this section in each such fiscal year, 5 percent shall be available only for providing assistance in accordance with the requirements under subsection (d)(5) (relating to matching funds), except that if there are insufficient eligible applicants for such assistance, any amount remaining shall be used for assistance under this section.''.

SEC. 203. SERVICE COORDINATORS AND CONGREGATE SERVICES FOR ELDERLY AND DISABLED HOUSING.

There is authorized to be appropriated to the Secretary $50,000,000 for fiscal year 2001, and such sums as may be necessary for each of fiscal years 2002, 2003, and 2004, for the following purposes:

(1) GRANTS FOR SERVICE COORDINATORS FOR CERTAIN FEDERALLY ASSISTED MULTIFAMILY HOUSING.—For grants under section 676 of the Housing and Community Development Act of 1992 (42 U.S.C. 13632) for providing service coordinators.

(2) CONGREGATE SERVICES FOR FEDERALLY ASSISTED HOUSING.—For contracts under section 802 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8011) to provide congregate services programs for eligible residents of eligible housing projects under subparagraphs (B) through (D) of subsection (k)(6) of such section.

TITLE III—EXPANDING HOUSING OPPORTUNITIES FOR THE ELDERLY AND PERSONS WITH DISABILITIES

Subtitle A—Housing for the Elderly

SEC. 301. MATCHING GRANT PROGRAM.

Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) is amended—

(1) in subsection (b), in the second sentence, by inserting ''or through matching grants under subsection (c)(4)'' after ''subsection (c)(1)''; and

(2) in subsection (c), by adding at the end the following:

''(4) MATCHING GRANTS.—

''(A) IN GENERAL.—

''(i) 15 PERCENT MINIMUM.—Amounts made available for assistance under this paragraph shall be used only for capital advances in accordance with paragraph (1), except that the Secretary shall require that, as a condition of providing assistance under this paragraph for a project, the applicant for assistance shall supplement the assistance with amounts from sources other than this section in an amount that is not less than 15 percent of the amount of assistance provided pursuant to this paragraph for the project.

''(ii) PREFERENCE.—In providing assistance under this paragraph, the Secretary shall take into consideration the degree to which the applicant will supplement that assistance with amounts from sources other than this section and, all other factors being equal, shall give preference to applicants whose supplemental assistance is equal to the highest percentage of the amount of assistance provided pursuant to this paragraph for the project.

''(B) REQUIREMENT FOR NON-FEDERAL FUNDS.—Not less than 50 percent of supplemental amounts provided for a project pursuant to subparagraph (A) shall be from non-Federal sources. Such supplemental amounts may include the value of any in-kind contributions, including donated land, structures, equipment, and other contributions as the Secretary considers appropriate, but only if the existence of such in-kind contributions results in the construction of more dwelling units than would have been constructed absent such contributions.

''(C) INCOME ELIGIBILITY.—Notwithstanding any other provision of this section, the Secretary shall provide that, in a project assisted under this paragraph, a number of dwelling units may be made available for occupancy by elderly persons who are not very low-income persons in a number such that the ratio that the number of dwelling units in the project so occupied bears to the total number of units in the project does not exceed the ratio that the amount from non-Federal sources provided for the project pursuant to this paragraph bears to the sum of the capital advances provided for the project

under this paragraph and all supplemental amounts for the project provided pursuant to this paragraph.''.

SEC. 302. ELIGIBILITY OF FOR-PROFIT LIMITED PARTNERSHIPS.

Section 202(k)(4) of the Housing Act of 1959 (12 U.S.C. 1701q(k)(4)) is amended by inserting after subparagraph (C) the following:

''Such term includes a for-profit limited partnership the sole general partner of which is an organization meeting the requirements under subparagraphs (A), (B), and (C), or a corporation wholly owned and controlled by an organization meeting the requirements under subparagraphs (A), (B), and (C).''.

SEC. 303. MIXED FUNDING SOURCES.

Section 202(h)(6) of the Housing Act of 1959 (12 U.S.C. 1701q(h)(6)) is amended by striking ''non-Federal sources'' and inserting ''sources other than this section''.

SEC. 304. AUTHORITY TO ACQUIRE STRUCTURES.

Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) is amended—

(1) in subsection (b), by striking ''from the Resolution Trust Corporation''; and

(2) in subsection (h)(2)—

(A) in the paragraph heading, by striking ''RTC PROPERTIES'' and inserting ''ACQUISITION''; and

(B) by striking ''from the Resolution'' and all that follows through ''Insurance Act''.

SEC. 305. MIXED-INCOME OCCUPANCY.

(a) IN GENERAL.—The first sentence of section 202(i)(1) of the Housing Act of 1959 (12 U.S.C. 1701q(i)(1)) is amended by striking ''and (B)'' and inserting the following: ''(B) notwithstanding subparagraph (A) and in the case only of a supportive housing project for the elderly that has a high vacancy level (as defined by the Secretary, except that such term shall not include vacancy upon the initial availability of units in a building), consistent with the purpose of improving housing opportunities for very low- and low-income elderly persons; and (C).''.

(b) AVAILABILITY OF UNITS.—Section 202(i) of the Housing Act of 1959 (12 U.S.C. 1701q(i)) is amended by adding at the end the following:

''(3) AVAILABILITY OF UNITS.—In the case of a supportive housing project described in paragraph (1)(B) that has a vacant dwelling unit, an owner may not make a dwelling unit available for occupancy by, nor make any commitment to provide occupancy in the unit to—

''(A) a low-income family that is not a very low-income family unless each eligible very low-income family that has applied for occupancy in the project has been offered an opportunity to accept occupancy in a unit in the project; and

''(B) a low-income elderly person who is not a very low-income elderly person, unless the owner certifies to the Secretary that the owner has engaged in affirmative marketing and outreach to very low-income elderly persons.''.

(b) CONFORMING AMENDMENTS.—Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) is amended—

(1) in subsection (c)—

(A) in paragraph (1), by inserting before ''in accordance with this section'' the following: '', and for low-income elderly persons to the extent such occupancy is made available pursuant to subsection (i)(1)(B),'';

(B) in the first sentence of paragraph (2), by inserting after ''elderly persons'' the following: ''or by low-income elderly persons (to the extent such occupancy is made available pursuant to subsection (i)(1)(B))''; and

(C) in paragraph (3), by inserting after ''very low-income person'' the following: ''or a low-income person (to the extent such occupancy is made available pursuant to subsection (i)(1)(B))'';

(2) in subsection (d)(1), by inserting after ''elderly persons'' the following: '', and low-income elderly persons to the extent such occupancy is made available pursuant to subsection (i)(1)(B),''; and

(3) in subsection (k)—

(A) by redesignating paragraphs (3) through (8) as paragraphs (4) through (9), respectively; and

(B) by inserting after paragraph (2) the following:

''(3) LOW-INCOME.—The term 'low-income' has the meaning given the term 'low-income families' under section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)).''.

SEC. 306. USE OF PROJECT RESERVES.

Section 202(j) of the Housing Act of 1959 (12 U.S.C. 1701q(j)) is amended by adding at the end the following:

''(8) USE OF PROJECT RESERVES.—Amounts for project reserves for a project assisted under this section may be used for costs, subject to reasonable limitations as the Secretary determines appropriate, for reducing the number of dwelling units in the project. Such use shall be subject to the approval of the Secretary to ensure that the use is designed to retrofit units that are currently obsolete or unmarketable.''.

SEC. 307. COMMERCIAL ACTIVITIES.

Section 202(h)(1) of the Housing Act of 1959 (12 U.S.C. 1701q(h)(1)) is amended by adding at the end the following: ''Neither this section nor any other provision of law may be construed as prohibiting or preventing the location and operation, in a project assisted under this section, of commercial facilities for the benefit of residents of the project and the community in which the project is located, except that assistance made available under this section may not be used to subsidize any such commercial facility.''.

SEC. 308. MIXED FINANCE PILOT PROGRAM.

(a) AUTHORITY.—The Secretary shall carry out a pilot program under this section to determine the effectiveness and feasibility of providing assistance under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) for housing projects that are used both for supportive housing for the elderly and for other types of housing, which may include market rate housing.

(b) SCOPE.—Under the pilot program the Secretary shall provide, to the extent that sufficient approvable applications for such assistance are received, assistance in the manner provided under subsection (d) for not more than 5 housing projects.

(c) MIXED USE.—The Secretary shall, for a project to be assisted under the pilot program—

(1) require that a minimum number of the dwelling units in the project be reserved for use in accordance with, and subject to, the requirements applicable to units assisted under section 202 of the Housing Act of 1959, such that the ratio that the number of dwelling units in the project so reserved bears to the total number of units in the project is not less than the ratio that the amount of assistance from such section 202 used for the project pursuant to subsection (d) bears to the total amount of assistance provided for the project under this section; and

(2) provide that the remainder of the dwelling units in the project may be used for assistance to persons who are not very low-income.

(d) FINANCING.—The Secretary may use amounts provided for assistance under section 202 of the Housing Act of 1959 for assistance under the pilot program for capital advances in accordance with subsection (c)(1) of such section and project rental assistance in accordance with subsection (c)(2) of such section, only for dwelling units described in subsection (c)(1) of this section. Any assistance provided pursuant to subsection (c)(1) of such section 202 shall be provided in the form of a capital advance, subject to repayment as provided in such subsection, and shall not be structured as a loan. The Secretary shall take such action as may be necessary to ensure that the repayment contingency under such subsection is enforceable for projects assisted under the pilot program and to provide for appropriate protections of the interests of the Secretary in relation to other interests in the projects so assisted.

(e) REPORT.—Not later than 2 years after assistance is initially made available under the pilot program under this section, the Secretary shall submit to Congress a report on the results of the pilot program.

SEC. 309. GRANTS FOR CONVERSION OF ELDERLY HOUSING TO ASSISTED LIVING FACILITIES.

Title II of the Housing Act of 1959 is amended by inserting after section 202a (12 U.S.C. 1701q–1) the following:

''SEC. 202b. GRANTS FOR CONVERSION OF ELDERLY HOUSING TO ASSISTED LIVING FACILITIES.

''(a) GRANT AUTHORITY.—The Secretary of Housing and Urban Development may make grants in accordance with this section to owners of eligible projects described in subsection (b) for 1 or both of the following activities:

''(1) REPAIRS.—Substantial capital repairs to a project that are needed to rehabilitate, modernize, or retrofit aging structures, common areas, or individual dwelling units.

''(2) CONVERSION.—Activities designed to convert dwelling units in the eligible project to assisted living facilities for elderly persons.

''(b) ELIGIBLE PROJECTS.—

''(1) IN GENERAL.—An eligible project described in this subsection is a multifamily housing project that is—

''(A) described in subparagraph (B), (C), (D), (E), (F), or (G) of section 683(2) of the Housing and Community Development Act of 1992 (42 U.S.C. 13641(2)), or (B) only to the extent amounts of the Department of Agriculture are made available to the Secretary of Housing and Urban Development for such grants under this section for such projects, subject to a loan made or insured under section 515 of the Housing Act of 1949 (42 U.S.C. 1485);

''(B) owned by a private nonprofit organization (as such term is defined in section 202); and

''(C) designated primarily for occupancy by elderly persons.

''(2) UNUSED OR UNDERUTILIZED COMMERCIAL PROPERTY.—Notwithstanding any other provision of this subsection or this section, an unused or underutilized commercial property may be considered an eligible project under this subsection, except that the Secretary may not provide grants under this section for more than 3 such properties. For any such projects, any reference under this section to dwelling units shall be considered to refer to the premises of such properties.

''(c) APPLICATIONS.—Applications for grants under this section shall be submitted to the Secretary in accordance with such procedures as the Secretary shall establish. Such applications shall contain—

''(1) a description of the substantial capital repairs or the proposed conversion activities for which a grant under this section is requested;

''(2) the amount of the grant requested to complete the substantial capital repairs or conversion activities;

''(3) a description of the resources that are expected to be made available, if any, in conjunction with the grant under this section; and

''(4) such other information or certifications that the Secretary determines to be necessary or appropriate.

''(d) FUNDING FOR SERVICES.—The Secretary may not make a grant under this section for conversion activities unless the application contains sufficient evidence, in the determination of the Secretary, of firm commitments for the funding of services to be provided in the assisted living facility, which may be provided by third parties.

''(e) SELECTION CRITERIA.—The Secretary shall select applications for grants under this section based upon selection criteria, which shall be established by the Secretary and shall include—

''(1) in the case of a grant for substantial capital repairs, the extent to which the project to be repaired is in need of such repair, including such factors as the age of improvements to be repaired, and the impact on the health and safety of residents of failure to make such repairs;

''(2) in the case of a grant for conversion activities, the extent to which the conversion is likely to provide assisted living facilities that are needed or are expected to be needed by the categories of elderly persons that the assisted living facility is intended to serve, with a special emphasis on very low-income elderly persons who need assistance with activities of daily living;

''(3) the inability of the applicant to fund the repairs or conversion activities from existing financial resources, as evidenced by the applicant's financial records, including assets in the applicant's residual receipts account and reserves for replacement account;

''(4) the extent to which the applicant has evidenced community support for the repairs or conversion, by such indicators as letters of support from the local community for the repairs or conversion and financial contributions from public and private sources;

''(5) in the case of a grant for conversion activities, the extent to which the applicant demonstrates a strong commitment to promoting the autonomy and independence of the elderly persons that the assisted living facility is intended to serve;

''(6) in the case of a grant for conversion activities, the quality, completeness, and managerial capability of providing the services which the assisted living facility intends to provide to elderly residents, especially in such areas as meals, 24-hour staffing, and on-site health care; and

''(7) such other criteria as the Secretary determines to be appropriate to ensure that funds made available under this section are used effectively.

''(f) DEFINITIONS.—In this section—

''(1) the term 'assisted living facility' has the meaning given such term in section 232(b) of the National Housing Act (12 U.S.C. 1715w(b)); and

''(2) the definitions in section 202(k) shall apply.

''(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for providing grants under this section such sums as may be necessary for each of fiscal years 2001, 2002, 2003, and 2004.''.

SEC. 310. GRANTS FOR CONVERSION OF PUBLIC HOUSING PROJECTS TO ASSISTED LIVING FACILITIES.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following:

''SEC. 36. GRANTS FOR CONVERSION OF PUBLIC HOUSING TO ASSISTED LIVING FACILITIES.

''(a) GRANT AUTHORITY.—The Secretary may make grants in accordance with this section to public housing agencies for use for activities designed to convert dwelling units in an eligible projects described in subsection (b) to assisted living facilities for elderly persons.

''(b) ELIGIBLE PROJECTS.—An eligible project described in this subsection is a public housing project (or a portion thereof) that has been designated under section 7 for occupancy only by elderly persons.

''(c) APPLICATIONS.—Applications for grants under this section shall be submitted to the Secretary in accordance with such procedures as the Secretary shall establish. Such applications shall contain—

''(1) a description of the proposed conversion activities for which a grant under this section is requested;

''(2) the amount of the grant requested;

''(3) a description of the resources that are expected to be made available, if any, in conjunction with the grant under this section; and

''(4) such other information or certifications that the Secretary determines to be necessary or appropriate.

''(d) FUNDING FOR SERVICES.—The Secretary may not make a grant under this section unless the application contains sufficient evidence, in the determination of the Secretary, of firm commitments for the funding of services to be provided in the assisted living facility.

''(e) SELECTION CRITERIA.—The Secretary shall select applications for grants under this section based upon selection criteria, which shall be established by the Secretary and shall include—

''(1) the extent to which the conversion is likely to provide assisted living facilities that are needed or are expected to be needed by the categories of elderly persons that the assisted living facility is intended to serve;

''(2) the inability of the public housing agency to fund the conversion activities from existing financial resources, as evidenced by the agency's financial records;

''(3) the extent to which the agency has evidenced community support for the conversion, by such indicators as letters of support from the local community for the conversion and financial contributions from public and private sources;

''(4) extent to which the applicant demonstrates a strong commitment to promoting the autonomy and independence of the elderly persons that the assisted living facility is intended to serve;

''(5) the quality, completeness, and managerial capability of providing the services which the assisted living facility intends to provide to elderly residents, especially in such areas as meals, 24-hour staffing, and on-site health care; and

''(6) such other criteria as the Secretary determines to be appropriate to ensure that funds made available under this section are used effectively.

''(f) DEFINITION.—In this section, the term 'assisted living facility' has the meaning given such term in section 232(b) of the National Housing Act (12 U.S.C. 1715w(b)).

''(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for providing grants under this section such sums as may be necessary for each of fiscal years 2001, 2002, 2003, and 2004.''.

SEC. 311. ANNUAL HUD INVENTORY OF ASSISTED HOUSING DESIGNATED FOR ELDERLY PERSONS.

Subtitle D of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13611 et seq.) is amended by adding at the end the following:

''SEC. 662. ANNUAL INVENTORY OF ASSISTED HOUSING DESIGNATED FOR ELDERLY PERSONS.

''(a) IN GENERAL.—The Secretary shall establish and maintain, and on an annual basis shall update and publish, an inventory of housing that—

''(1) is assisted under a program of the Department of Housing and Urban Development, including all federally assisted housing; and

''(2) is designated, in whole or in part, for occupancy by elderly families or disabled families, or both.

''(b) CONTENTS.—The inventory required under this section shall identify housing described in subsection (a) and the number of dwelling units in such housing that—

''(1) are in projects designated for occupancy only by elderly families;

''(2) are in projects designated for occupancy only by disabled families;

''(3) contain special features or modifications designed to accommodate persons with disabilities and are in projects designated for occupancy only by disabled families;

''(4) are in projects for which a specific percentage or number of the dwelling units are designated for occupancy only by elderly families;

''(5) are in projects for which a specific percentage or number of the dwelling units are designated for occupancy only by disabled families; and

''(6) are in projects designed for occupancy only by both elderly or disabled families.

''(c) PUBLICATION.—The Secretary shall annually publish the inventory required under this section in the Federal Register and shall make the inventory available to the public by posting on a World Wide Web site of the Department.''.

SEC. 312. TREATMENT OF APPLICATIONS.

Notwithstanding any other provision of law or any regulation of the Secretary, in the case of any denial of an application for assistance under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) for failure to timely provide information required by the Secretary, the Secretary shall notify the applicant of the failure and provide the applicant an opportunity to show that the failure was due to the failure of a third party to provide information under the control of the third party. If the applicant demonstrates, within a reasonable period of time after notification of such failure, that the applicant did not have such information but requested the timely provision of such information by the third party, the Secretary may not deny the application solely on the grounds of failure to timely provide such information.

Subtitle B—Housing for Persons With Disabilities

SEC. 321. MATCHING GRANT PROGRAM.

Section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013) is amended—

(1) in subsection (b)(2)(A), by inserting ''or through matching grants under subsection (d)(5)'' after ''subsection (d)(1)''; and

(2) in subsection (d), by adding at the end the following:

''(5) MATCHING GRANTS.—

''(A) IN GENERAL.—

''(i) 15 PERCENT MINIMUM.—Amounts made available for assistance under this paragraph shall be used only for capital advances in accordance with paragraph (1), except that the Secretary shall require that, as a condition of providing assistance under this paragraph for a project, the applicant for assistance shall supplement the assistance with amounts from sources other than this section in an amount that is not less than 15 percent of the amount of assistance provided pursuant to this paragraph for the project.

''(ii) PREFERENCE.—In providing assistance under this paragraph, the Secretary shall take into consideration the degree to which the applicant will supplement that assistance with amounts from sources other than this section and, all other factors being equal, shall give preference to applicants whose supplemental assistance is equal to

the highest percentage of the amount of assistance provided pursuant to this paragraph for the project.

''(B) REQUIREMENT FOR NON-FEDERAL FUNDS.—Not less than 50 percent of supplemental amounts provided for a project pursuant to subparagraph (A) shall be from non-Federal sources. Such supplemental amounts may include the value of any in-kind contributions, including donated land, structures, equipment, and other contributions as the Secretary considers appropriate, but only if the existence of such in-kind contributions results in the construction of more dwelling units than would have been constructed absent such contributions.

''(C) INCOME ELIGIBILITY.—Notwithstanding any other provision of this section, the Secretary shall provide that, in a project assisted under this paragraph, a number of dwelling units may be made available for occupancy by persons with disabilities who are not very low-income persons in a number such that the ration that the number of dwelling units in the project so occupied bears to the total number of units in the project does not exceed the ratio that the amount from non-Federal sources provided for the project pursuant to this paragraph bears to the sum of the capital advances provided for the project under this paragraph and all supplemental amounts for the project provided pursuant to this paragraph.''.

SEC. 322. ELIGIBILITY OF FOR-PROFIT LIMITED PARTNERSHIPS.

Section 811(k)(6) of the Housing Act of 1959 (42 U.S.C. 8013(k)(6)) is amended by inserting after subparagraph (D) the following:

''Such term includes a for-profit limited partnership the sole general partner of which is an organization meeting the requirements under subparagraphs (A), (B), (C), and (D) or a corporation wholly owned and controlled by an organization meeting the requirements under subparagraphs (A), (B), (C), and (D).''.

SEC. 323. MIXED FUNDING SOURCES.

Section 811(h)(5) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(h)(5)) is amended by striking ''non-Federal sources'' and inserting ''sources other than this section''.

SEC. 324. TENANT-BASED ASSISTANCE.

Section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013) is amended—

(1) in subsection (d), by striking paragraph (4) and inserting the following:

''(4) TENANT-BASED RENTAL ASSISTANCE.—

''(A) ADMINISTERING ENTITIES.—Tenant-based rental assistance provided under subsection (b)(1) may be provided only through a public housing agency that has submitted and had approved an plan under section 7(d) of the United States Housing Act of 1937 (42 U.S.C. 1437e(d)) that provides for such assistance, or through a private nonprofit organization. A public housing agency shall be eligible to apply under this section only for the purposes of providing such tenant-based rental assistance.

''(B) PROGRAM RULES.—Tenant-based rental assistance under subsection (b)(1) shall be made available to eligible persons with disabilities and administered under the same rules that govern tenant-based rental assistance made available under section 8 of the United States Housing Act of 1937, except that the Secretary may waive or modify such rules, but only to the extent necessary to provide for administering such assistance under subsection (b)(1) through private nonprofit organizations rather than through public housing agencies.

''(C) ALLOCATION OF ASSISTANCE.—In determining the amount of assistance provided under subsection (b)(1) for a private nonprofit organization or public housing agency, the Secretary shall consider the needs and capabilities of the organization or agency, in the case of a public housing agency, as described in the plan for the agency under section 7 of the United States Housing Act of 1937.''; and

(2) in subsection (l)(1)—

(A) by striking ''subsection (b)'' and inserting ''subsection (b)(2)'';

(B) by striking the last comma and all that follows through ''subsection (n)''; and

(C) by adding at the end the following: ''Notwithstanding any other provision of this section, the Secretary may use not more than 25 percent of the total amounts made available for assistance under this section for any fiscal year for tenant-based rental assistance under subsection (b)(1) for persons with disabilities, and no authority of the Secretary to waive provisions of this section may be used to alter the percentage limitation under this sentence.''.

SEC. 325. USE OF PROJECT RESERVES.

Section 811(j) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(j)) is amended by adding at the end the following:

''(7) USE OF PROJECT RESERVES.—Amounts for project reserves for a project assisted under this section may be used for costs, subject to reasonable limitations as the Secretary determines appropriate, for reducing the number of dwelling units in the project. Such use shall be subject to the approval of the Secretary to ensure that the use is designed to retrofit units that are currently obsolete or unmarketable.''.

SEC. 326. COMMERCIAL ACTIVITIES.

Section 811(h)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(h)(1)) is amended by adding at the end the following: ''Neither this section nor any other provision of law may be construed as prohibiting or preventing the location and operation, in a project assisted under this section, of commercial facilities for the benefit of residents of the project and the community in which the project is located, except that assistance made available under this section may not be used to subsidize any such commercial facility.''.

Subtitle C—Other Provisions

SEC. 341. SERVICE COORDINATORS.

(a) INCREASED FLEXIBILITY FOR USE OF SERVICE COORDINATORS IN CERTAIN FEDERALLY ASSISTED HOUSING.—Section 676 of the Housing and Community Development Act of 1992 (42 U.S.C. 13632) is amended—

(1) in the section heading, by striking ''**MULTIFAMILY HOUSING ASSISTED UNDER NATIONAL HOUSING ACT**'' and inserting ''**CERTAIN FEDERALLY ASSISTED HOUSING**'';

(2) in subsection (a)—

(A) in the first sentence, by striking ''(E) and (F)'' and inserting ''(B), (C), (D), (E), (F), and (G)''; and

(B) in the last sentence—

(i) by striking ''section 661'' and inserting ''section 671''; and

(ii) by adding at the end the following: ''A service coordinator funded with a grant under this section for a project may provide services to low-income elderly or disabled families living in the vicinity of such project.'';

(3) in subsection (d)—

(A) by striking ''(E) or (F)'' and inserting ''(B), (C), (D), (E), (F), or (G)''; and

(B) by striking ''section 661'' and inserting ''section 671''; and

(4) by striking subsection (c) and redesignating subsection (d) (as amended by paragraph (3) of this subsection) as subsection (c).

(b) REQUIREMENT TO PROVIDE SERVICE COORDINATORS.—Section 671 of the Housing and Community Development Act of 1992 (42 U.S.C. 13631) is amended—

(1) in the first sentence of subsection (a), by striking ''to carry out this subtitle pursuant to the amendments made by this subtitle'' and inserting the following: ''for providing service coordinators under this section'';

(2) in subsection (d), by inserting '')'' after ''section 683(2)''; and

(3) by adding at the end following:

''(e) SERVICES FOR LOW-INCOME ELDERLY OR DISABLED FAMILIES RESIDING IN VICINITY OF CERTAIN PROJECTS.—To the extent only that this section applies to service coordinators for covered federally assisted housing described in subparagraphs (B), (C), (D), (E), (F), and (G) of section 683(2), any reference in this section to elderly or disabled residents of a project shall be construed to include low-income elderly or disabled families living in the vicinity of such project.''.

(c) PROTECTION AGAINST TELEMARKETING FRAUD.—

(1) SUPPORTIVE HOUSING FOR THE ELDERLY.—The first sentence of section 202(g)(1) of the Housing Act of 1959 (12 U.S.C. 1701q(g)(1)) is amended by striking ''and (F)'' and inserting the following: ''(F) providing education and outreach regarding telemarketing fraud, in accordance with the standards issued under section 671(f) of the Housing and Community Development Act of 1992 (42 U.S.C. 13631(f)); and (G)''.

(2) OTHER FEDERALLY ASSISTED HOUSING.—Section 671 of the Housing and Community Development Act of 1992 (42 U.S.C. 13631), as amended by subsection (b) of this section, is further amended—

(A) in the first sentence of subsection (c), by inserting after ''response,'' the following: ''education and outreach regarding telemarketing fraud in accordance with the standards issued under subsection (f),''; and

(B) by adding at the end the following:

''(f) PROTECTION AGAINST TELEMARKETING FRAUD.—

''(1) IN GENERAL.—The Secretary, in coordination with the Secretary of Health and Human Services, shall establish standards for service coordinators in federally assisted housing who are providing education and outreach to elderly persons residing in such housing regarding telemarketing fraud. The standards shall be designed to ensure that such education and outreach informs such elderly persons of the dangers of telemarketing fraud and facilitates the investigation and prosecution of telemarketers engaging in fraud against such residents.

''(2) CONTENTS.—The standards established under this subsection shall require that any such education and outreach be provided in a manner that—

''(A) informs such residents of—

''(i) the prevalence of telemarketing fraud targeted against elderly persons;

''(ii) how telemarketing fraud works;

''(iii) how to identify telemarketing fraud;

''(iv) how to protect themselves against telemarketing fraud, including an explanation of the dangers of providing bank account, credit card, or other financial or personal information over the telephone to unsolicited callers;

''(v) how to report suspected attempts at telemarketing fraud; and

''(vi) their consumer protection rights under Federal law;

''(B) provides such other information as the Secretary considers necessary to protect such residents against fraudulent telemarketing; and

''(C) disseminates the information provided by appropriate means, and in determining such appropriate means, the Secretary shall consider on-site presentations at federally

assisted housing, public service announcements, a printed manual or pamphlet, an Internet website, and telephone outreach to residents whose names appear on 'mooch lists' confiscated from fraudulent telemarketers.''.

TITLE IV—PRESERVATION OF AFFORDABLE HOUSING STOCK

SEC. 401. MATCHING GRANT PROGRAM FOR AFFORDABLE HOUSING PRESERVATION.

(a) FINDINGS AND PURPOSES.—

(1) FINDINGS.—Congress finds that—

(A) availability of low-income housing rental units has declined nationwide in the last several years;

(B) as rents for low-income housing increase and the development of new units of affordable housing decreases, there are fewer privately owned, federally assisted affordable housing units available to low-income individuals in need;

(C) the demand for affordable housing far exceeds the supply of such housing, as evidenced by recent studies; and

(D) the efforts of nonprofit organizations have significantly preserved and expanded access to low-income housing.

(2) PURPOSES.—The purposes of this section are—

(A) to continue the partnerships among the Federal Government, State and local governments, nonprofit organizations, and the private sector in operating and assisting housing that is affordable to low-income persons and families;

(B) to promote the preservation of affordable housing units by providing matching grants to States and localities that have developed and funded programs for the preservation of privately owned housing that is affordable to low-income families and persons; and

(C) to minimize the involuntary displacement of tenants who are currently residing in such housing, many of whom are elderly or disabled persons and families with children.

(b) DEFINITIONS.—In this section:

(1) CAPITAL EXPENDITURES.—The term ''capital expenditures'' includes expenditures for acquisition and rehabilitation.

(2) LOW-INCOME AFFORDABILITY RESTRICTIONS.—The term ''low-income affordability restrictions'' means, with respect to a housing project, any limitations imposed by law, regulation, or regulatory agreement on rents for tenants of the project, rent contributions for tenants of the project, or income-eligibility for occupancy in the project.

(3) PROJECT-BASED ASSISTANCE.—The term ''project-based assistance'' has the meaning given such term in section 16(c) of the United States Housing Act of 1937 (42 U.S.C. 1437n(c)), except that such term includes assistance under any successor programs to the programs referred to in such section.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(5) STATE.—The term ''State'' means each of the several States and the District of Columbia.

(c) AUTHORITY.—The Secretary shall, to the extent amounts are made available in advance under subsection (k), award grants under this section to States and localities for low-income housing preservation and promotion.

(d) APPLICATIONS.—The Secretary shall provide for States and localities (through appropriate State and local agencies) to submit applications for grants under this section. The Secretary shall require the applications to contain any information and certifications necessary for the Secretary to determine who is eligible to receive such a grant.

(e) USE OF GRANTS.—

(1) ELIGIBLE USES.—

(A) IN GENERAL.—Amounts from grants awarded under this section may be used by States and localities only for the purpose of providing assistance for acquisition, rehabilitation, operating costs, and capital expenditures for a housing project that meets the requirements under paragraph (2), (3), (4), or (5).

(B) FACTORS FOR CONSIDERATION.—In selecting projects described in subparagraph (A) for assistance with amounts from a grant awarded under this section, the State or locality shall—

(i) take into consideration—

(I) whether the assistance will be used to transfer the project to a resident-endorsed nonprofit organization;

(II) whether the owner of the project has extended the low-income affordability restrictions on the project for a period of more than 15 years;

(III) the extent to which the project is consistent with the comprehensive housing affordability strategy approved in accordance with section 105 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705) for the jurisdiction in which the project is located;

(IV) the extent to which the project location provides access to transportation, jobs, shopping, and other similar conveniences;

(V) the extent to which the project meets fair housing goals;

(VI) the extent to which the project serves specific needs that are not otherwise met by the local market, such as housing for the elderly or disabled, or families with children;

(VII) the extent of local government resources provided to the project; and

(VIII) such other factors as the Secretary or the State or locality may establish; and

(ii) States receiving funds shall ensure that, to the maximum extent practicable, projects in both urban and rural areas in the State receive assistance.

(2) PROJECTS WITH HUD-INSURED MORTGAGES.—A project meets the requirements under this paragraph only if—

(A) the project is financed by a loan or mortgage that is—

(i) insured or held by the Secretary under section 221(d)(3) of the National Housing Act (12 U.S.C. 1715l(d)(3)) and receiving loan management assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) due to a conversion from section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s);

(ii) insured or held by the Secretary and bears interest at a rate determined under the proviso of section 221(d)(5) of the National Housing Act (12 U.S.C. 1715l(d)(5)); or

(iii) insured, assisted, or held by the Secretary or a State or State agency under section 236 of the National Housing Act (12 U.S.C. 1715z–1);

(B) the project is subject to an unconditional waiver of, with respect to the mortgage referred to in subparagraph (A)—

(i) all rights to any prepayment of the mortgage; and

(ii) all rights to any voluntary termination of the mortgage insurance contract for the mortgage; and

(C) if the low-income affordability restrictions on the project are for less than 15 years, the owner of the project has entered into binding commitments (applicable to any subsequent owner) to extend those restrictions, including any such restrictions imposed because of any contract for project-based assistance for the project, for a period of not less than 15 years (beginning on the date on which assistance is made available for the project by the State or locality under this section).

(3) PROJECTS WITH SECTION 8 PROJECT-BASED ASSISTANCE.—A project meets the requirements under this paragraph only if—

(A) the project is subject to a contract for project-based assistance; and

(B) the owner of the project has entered into binding commitments (applicable to any subsequent owner)—

(i) to continue to renew such contract (if offered on the same terms and conditions) until the later of—

(I) the last day of the remaining term of the mortgage; or

(II) the date that is 15 years after the date on which assistance is made available for the project by the State or locality under this subsection; and

(ii) to extend any low-income affordability restrictions applicable to the project in connection with such assistance.

(4) PROJECTS PURCHASED BY RESIDENTS.—A project meets the requirements under this paragraph only if the project—

(A) is or was eligible low-income housing (as defined in section 229 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (42 U.S.C. 4119)) or is or was a project assisted under section 613(b) of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 4125(b));

(B) has been purchased by a resident council or resident-approved nonprofit organization for the housing or is approved by the Secretary for such purchase, for conversion to homeownership housing under a resident homeownership program meeting the requirements under section 226 of such Act (12 U.S.C. 4116); and

(C) the owner of the project has entered into binding commitments (applicable to any subsequent owner) to extend such assistance for not less than 15 years (beginning on the date on which assistance is made available for the project by the State or locality under this section) and to extend any low-income affordability restrictions applicable to the project in connection with such assistance.

(5) RURAL RENTAL ASSISTANCE PROJECTS.—A project meets the requirements of this paragraph only if—

(A) the project is a rural rental housing project financed under section 515 of the Housing Act of 1949 (42 U.S.C. 1485); and

(B) the restriction on the use of the project (as required under section 502 of the Housing Act of 1949 (42 U.S.C. 1472)) will expire not later than 12 months after the date on which assistance is made available for the project by the State or locality under this subsection.

(f) AMOUNT OF STATE AND LOCAL GRANTS.—

(1) IN GENERAL.—Subject to subsection (g), in each fiscal year, the Secretary shall award to each State and locality approved for a grant under this section a grant in an amount based upon the proportion of such State's or locality's need for assistance under this section (as determined by the Secretary in accordance with paragraph (2)) to the aggregate need among all States and localities approved for such assistance for such fiscal year.

(2) DETERMINATION OF NEED.—In determining the proportion of a State's or locality's need under paragraph (1), the Secretary shall consider—

(A) the number of units in projects in the State or locality that are eligible for assistance under section 6 that, due to market conditions or other factors, are at risk for prepayment, opt-out, or otherwise at risk of being lost to the inventory of affordable housing; and

(B) the difficulty that residents of projects in the State or locality that are eligible for assistance under subsection (e) would face in

finding adequate, available, decent, comparable, and affordable housing in neighborhoods of comparable quality in the local market, if those projects were not assisted by the State or locality under subsection (e).

(g) MATCHING REQUIREMENT.—

(1) IN GENERAL.—The Secretary may not award a grant under this section to a State or locality for any fiscal year in an amount that exceeds twice the amount that the State or locality certifies, as the Secretary shall require, that the State or locality will contribute for such fiscal year, or has contributed since January 1, 2000, from non-Federal sources for the purposes described in subsection (e)(1).

(2) TREATMENT OF PREVIOUS CONTRIBUTIONS.—Any portion of amounts contributed after January 1, 2000, that are counted for purposes of meeting the requirement under paragraph (1) for a fiscal year may not be counted for such purposes for any subsequent fiscal year.

(3) TREATMENT OF TAX INCENTIVES.—Fifty percent of the funds used for the project that are allocable to tax credits allocated under section 42 of the Internal Revenue Code of 1986, revenue from mortgage revenue bonds issued under section 143 of such Code, or proceeds from the sale of tax-exempt bonds by any State or local government entity shall be considered non-Federal sources for purposes of this subsection.

(h) TREATMENT OF SUBSIDY LAYERING REQUIREMENTS.—Neither subsection (g) nor any other provision of this section may be construed to prevent the use of tax credits allocated under section 42 of the Internal Revenue Code of 1986 in connection with housing assisted with amounts from a grant awarded under this section, to the extent that such use is in accordance with section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545(d)) and section 911 of the Housing and Community Development Act of 1992 (42 U.S.C. 3545 note).

(i) REPORTS.—

(1) REPORTS TO SECRETARY.—Not later than 90 days after the last day of each fiscal year, each State and locality that receives a grant under this section during that fiscal year shall submit to the Secretary a report on the housing projects assisted with amounts made available under the grant.

(2) REPORTS TO CONGRESS.—Based on the reports submitted under paragraph (1), the Secretary shall annually submit to Congress a report on the grants awarded under this section during the preceding fiscal year and the housing projects assisted with amounts made available under those grants.

(j) REGULATIONS.—Not later than 12 months after the date of enactment of this Act, the Secretary shall issue regulations to carry out this section.

(k) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for grants under this section such sums as may be necessary for each of fiscal years 2001 through 2004.

SEC. 402. ASSISTANCE FOR NONPROFIT PURCHASERS PRESERVING AFFORDABLE HOUSING.

(a) CONGRESSIONAL FINDINGS.—Congress finds that—

(1) a substantial number of existing federally assisted or federally insured multifamily properties are at risk of being lost from the affordable housing inventory of the Nation through market rate conversion, deterioration, or demolition;

(2) it is in the interests of the Nation to encourage transfer of control of such properties to competent national, regional, and local nonprofit entities and intermediaries whose missions involve maintaining the affordability of such properties;

(3) such transfers may be inhibited by a shortage of such entities that are appropriately capitalized; and

(4) the Nation would be well served by providing assistance to such entities to aid in accomplishing this purpose.

(b) GRANTS.—The Secretary may make grants, to the extent amounts are made available for such grants, to eligible entities under subsection (c) for use only for operational, working capital, and organizational expenses of such entities and activities by such entities to acquire eligible affordable housing for the purpose of ensuring that the housing will remain affordable, as the Secretary considers appropriate, for low-income or very low-income families (including elderly persons).

(c) ELIGIBLE ENTITIES.—The Secretary shall establish standards for eligible entities under this subsection, which shall include requirements that to be considered an eligible entity for purposes of this section an entity shall—

(1) be a nonprofit organization (as such term is defined in 104 of the Cranston-Gonzalez National Affordable Housing Act);

(2) have among its purposes maintaining the affordability to low-income or very low-income families of multifamily properties that are at risk of loss from the inventory of housing that is affordable to low-income or very low-income families; and

(3) demonstrate need for assistance under this section for the purposes under subsection (b), experience in carrying out activities referred to in such subsection, and capability to carry out such activities.

(d) DEFINITIONS.—In this section:

(1) ELIGIBLE AFFORDABLE HOUSING.—The term ''eligible affordable housing'' means housing that—

(A) consists of more than four dwelling units;

(B) is insured or assisted under a program of the Department of Housing and Urban Development or the Department of Agriculture under which the property is subject to limitations on tenant rents, rent contributions, or incomes; and

(C) is at risk, as determined by the Secretary, of termination of any of the limitations referred to in subparagraph (B).

(2) LOW-INCOME FAMILIES; VERY LOW-INCOME FAMILIES.—The terms ''low-income families'' and very low-income families'' have the meanings given such terms in section 3(b) of the United States Housing Act of 1937.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for grants under this section such sums as may be necessary for each of fiscal years 2001, 2002, 2003, and 2004.

SEC. 403. SECTION 236 ASSISTANCE.

Section 236(g) of the National Housing Act (12 U.S.C. 1715z–1(g)) is amended—

(1) in paragraph (2), by striking ''Subject to paragraph (3) and notwithstanding'' and inserting ''Notwithstanding''; and

(2) by striking paragraph (3) and redesignating paragraph (4) as paragraph (3).

SEC. 404. PRESERVATION PROJECTS.

Section 524(e)(1) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking ''amounts are specifically'' and inserting ''sufficient amounts are''.

TITLE V—MORTGAGE INSURANCE FOR HEALTH CARE FACILITIES AND HOME EQUITY CONVERSION MORTGAGES

SEC. 501. REHABILITATION OF EXISTING HOSPITALS, NURSING HOMES, AND OTHER FACILITIES.

Section 223(f) of the National Housing Act (12 U.S.C. 1715n(f)) is amended—

(1) in paragraph (1)—

(A) by striking ''the refinancing of existing debt of an''; and

(B) by inserting ''existing integrated service facility,'' after ''existing board and care home,'';

(2) in paragraph (4)—

(A) by inserting ''existing integrated service facility,'' after ''board and care home,'' each place it appears;

(B) in subparagraph (A), by inserting before the semicolon at the end the following: '', which refinancing, in the case of a loan on a hospital, home, or facility that is within 2 years of maturity, shall include a mortgage made to prepay such loan'';

(C) in subparagraph (B), by inserting after ''indebtedness'' the following: '', pay any other costs including repairs, maintenance, minor improvements, or additional equipment which may be approved by the Secretary,''; and

(D) in subparagraph (D)—

(i) by inserting ''existing'' before ''intermediate care facility''; and

(ii) by inserting ''existing'' before ''board and care home''; and

(3) by adding at the end the following:

''(6) In the case of purchase of an existing hospital (or existing nursing home, existing assisted living facility, existing intermediate care facility, existing board and care home, existing integrated service facility or any combination thereof) the Secretary shall prescribe such terms and conditions as the Secretary deems necessary to assure that—

''(A) the proceeds of the insured mortgage loan will be employed only for the purchase of the existing hospital (or existing nursing home, existing assisted living facility, existing intermediate care facility, existing board and care home, existing integrated service facility or any combination thereof) including the retirement of existing debt (if any), necessary costs associated with the purchase and the insured mortgage financing, and such other costs, including costs of repairs, maintenance, improvements, and additional equipment, as may be approved by the Secretary;

''(B) such existing hospital (or existing nursing home, existing assisted living facility, existing intermediate care facility, existing board and care home, existing integrated service facility, or any combination thereof) is economically viable; and

''(C) the applicable requirements for certificates, studies, and statements of section 232 (for the existing nursing home, existing assisted living facility, intermediate care facility, board and care home, existing integrated service facility or any combination thereof, proposed to be purchased) or of section 242 (for the existing hospital proposed to be purchased) have been met.''.

SEC. 502. NEW INTEGRATED SERVICE FACILITIES.

Section 232 of the National Housing Act (12 U.S.C. 1715w) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''are not acutely ill and'';

(B) in paragraph (2), by striking ''nevertheless''; and

(C) by adding at the end the following:

''(4) The development of integrated service facilities for the care and treatment of the elderly and other persons in need of health care and related services, but who do not require hospital care, and the support of health care facilities which provide such health care and related services (including those that support hospitals (as defined in section 242(b))).'';

(2) in subsection (b)—

(A) in paragraph (1), by striking ''acutely ill and not'';

(B) in paragraph (4), by inserting after the second period the following: ''Such term includes a parity first mortgage or parity first deed of trust, subject to such terms and conditions as the Secretary may provide.'';

(C) in paragraph (6)—

(i) by striking subparagraph (A) and inserting the following:

''(A) meets all applicable licensing and regulatory requirements of the State, or if there is no State law providing for such licensing and regulation by the State, meets all applicable licensing and regulatory requirements of the municipality or other political subdivision in which the facility is located, or, in the absence of any such requirements, meets any underwriting requirements of the Secretary for such purposes;''; and

(ii) in subparagraph (C), by striking ''and'' at the end;

(D) in paragraph (7), by striking the period at the end and inserting ''; and''; and

(E) by adding at the end the following:

''(8) the term 'integrated service facility' means a facility—

''(A) providing integrated health care delivery services designed and operated to provide medical, convalescent, skilled and intermediate nursing, board and care services, assisted living, rehabilitation, custodial, personal care services, or any combination thereof, to sick, injured, disabled, elderly, or infirm persons, or providing services for the prevention of illness, or any combination thereof;

''(B) designed, in whole or in part, to provide a continuum of care, as determined by the Secretary, for the sick, injured, disabled, elderly, or infirm;

''(C) providing clinical services, outpatient services, including community health services and medical practice facilities and group practice facilities, to sick, injured, disabled, elderly, or infirm persons not in need of the services rendered in other facilities insurable under this title, or for the prevention of illness, or any combination thereof; or

''(D)(i) designed, in whole or in part to provide supportive or ancillary services to hospitals (as defined in section 242(b)), which services may include services provided by special use health care facilities, professional office buildings, laboratories, administrative offices, and other facilities supportive or ancillary to health care delivery by such hospitals; and

''(ii) that meet standards acceptable to the Secretary, which may include standards governing licensure or State or local approval and regulation of a mortgagor; or

''(E) that provides any combination of the services under subparagraphs (A) through (D).'';

(3) in subsection (d)—

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

(i) by inserting ''board and care home,'' after ''rehabilitated nursing home,'';

(ii) by inserting ''integrated service facility,'' after ''assisted living facility,'' the first 2 places it appears;

(iii) by inserting ''board and care home,'' after ''existing nursing home,''; and

(iv) by striking ''or a board and care home'' and inserting '', board and care home or integrated service facility'';

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by inserting before '', including'' the following: ''or a public body, public agency, or public corporation eligible under this section''; and

(ii) in subparagraph (B), by striking ''energy conservation measures'' and all that follows through ''95–619)'' and inserting ''energy conserving improvements (as defined in section 2(a))''.

(C) in paragraph (4)(A)—

(i) in the first sentence—

(I) by inserting '', and integrated service facilities that include such nursing home and intermediate care facilities,'' before '', the Secretary'';

(II) by striking ''or section 1521 of the Public Health Service Act'' and inserting ''of the Public Health Service Act, or other applicable Federal law (or, in the absence of applicable Federal law, by the Secretary),'';

(III) by inserting '', or the portion of an integrated service facility providing such services,'' before ''covered by the mortgage,''; and

(IV) by inserting ''or for such nursing or intermediate care services within an integrated service facility'' before '', and (ii)'';

(ii) in the second sentence, by inserting ''(which may be within an integrated service facility)'' after ''home and facility'';

(iii) in the third sentence—

(I) by striking ''mortgage under this section'' and all that follows through ''feasibility'' and inserting the following: ''such mortgage under this section unless (i) the proposed mortgagor or applicant for the mortgage insurance for the home or facility or combined home or facility, or the integrated service facility containing such services, has commissioned and paid for the preparation of an independent study of market need for the project'';

(II) in clause (i)(II), by striking ''and its relationship to, other health care facilities and'' and inserting ''or such facilities within an integrated service facility, and its relationship to, other facilities providing health care'';

(III) in clause (i)(IV), by striking ''in the event the State does not prepare the study,''; and

(IV) in clause (i)(IV), by striking ''the State or''; and

(V) in clause (ii), by striking ''or section 1521 of the Public Health Service Act'' and inserting ''of the Public Health Service Act, or other applicable Federal law (or, in the absence of applicable Federal law, by the Secretary),'';

(iv) by striking the penultimate sentence and inserting the following: ''A study commissioned or undertaken by the State in which the facility will be located shall be considered to satisfy such market study requirement. The proposed mortgagor or applicant may reimburse the State for the cost of an independent study referred to in the preceding sentence.''; and

(v) in the last sentence—

(I) by inserting ''the proposed mortgagor or applicant for mortgage insurance may obtain from'' after ''10 individuals,'';

(II) by striking ''may'' and inserting ''and''; and

(III) by inserting a comma before ''written support''; and

(D) in paragraph (4)(C)(iii), by striking ''the appropriate State'' and inserting ''any appropriate''; and

(4) in subsection (i)(1), by inserting ''integrated service facilities,'' after ''assisted living facilities,''.

SEC. 503. HOSPITALS AND HOSPITAL-BASED INTEGRATED SERVICE FACILITIES.

Section 242 of the National Housing Act (12 U.S.C. 1715z–7) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (A), by adding ''and'' at the end;

(ii) by striking subparagraph (B); and

(iii) by redesignating subparagraph (C) as subparagraph (B) and striking ''and'' at the end;

(B) in paragraph (2), by striking ''respectfully'' and all that follows through the period at the end and inserting ''given such terms in section 207(a), except that the term 'mortgage' shall include a parity first mortgage or parity first deed of trust, subject to such terms and conditions as the Secretary may provide; and''; and

(C) by adding at the end the following:

''(3) the term 'integrated service facility' has the meaning given the term in section 232(b).'';

(2) in subsection (c), by striking ''title VII of'' and inserting ''title VI of'';

(3) in subsection (d)—

(A) in the matter preceding paragraph (1), by inserting after ''operation,'' the following: ''or that covers an integrated service facility owned or to be owned by an applicant or proposed mortgagor that also owns a hospital in the same market area, including equipment to be used in its operation,'';

(B) in paragraph (1)—

(i) in the first sentence, by inserting before the period at the end the following: ''and who, in the case of a mortgage covering an integrated service facility, is also the owner of a hospital facility''; and

(ii) by adding at the end the following: ''A mortgage insured hereunder covering an integrated service facility may only cover the real and personal property where the eligible facility will be located.'';

(C) in paragraph (2)(A), by inserting ''or integrated service facility'' before the comma; and

(D) in paragraph (2)(B), by striking ''energy conservation measures'' and all that follows through ''95–619)'' and inserting ''energy conserving improvements (as defined in section 2(a))'';

(E) in paragraph (4)—

(i) in the first sentence—

(I) by inserting ''for a hospital'' after ''any mortgage''; and

(II) by striking ''or section 1521 of the Public Health Service Act'' and inserting ''of the Public Health Service Act, or other applicable Federal law (or, in the absence of applicable Federal law, by the Secretary),'';

(ii) by striking the third sentence and inserting the following: ''If no such State agency exists, or if the State agency exists but is not empowered to provide a certification that there is a need for the hospital as set forth in subparagraph (A) of the first sentence, the Secretary shall not insure any such mortgage under this section unless: (A) the proposed mortgagor or applicant for the hospital has commissioned and paid for the preparation of an independent study of market need for the proposed project that: (i) is prepared in accordance with the principles established by the Secretary, in consultation with the Secretary of Health and Human Services (to the extent the Secretary of Housing and Urban Development considers appropriate); (ii) assesses, on a marketwide basis, the impact of the proposed hospital on, and its relationship to, other facilities providing health care services, the percentage of excess beds, demographic projections, alternative health care delivery systems, and the reimbursement structure of the hospital; (iii) is addressed to and is acceptable to the Secretary in form and substance; and (iv) is prepared by a financial consultant selected by the proposed mortgagor or applicant and approved by the Secretary; and (B) the State complies with the other provisions of this paragraph that would otherwise be required to be met by a State agency designated in accordance with section 604(a)(1) of the Public Health Service Act, or other applicable Federal law (or, in the absence of applicable Federal law, by the Secretary). A study commissioned or undertaken by the State in which the hospital will be located shall be considered to satisfy such market study requirement.''; and

(iii) in the last sentence, by striking ''feasibility''; and

(4) in subsection (f), by inserting ''and public integrated service facilities'' after ''public hospitals''.

SEC. 504. HOME EQUITY CONVERSION MORTGAGES.

(a) IN GENERAL.—Section 255 of the National Housing Act (12 U.S.C. 1715z–20) is amended—

(1) by redesignating subsection (k) as subsection (*l*); and

(2) by inserting after subsection (j) the following:

''(k) INSURANCE AUTHORITY FOR REFINANCINGS.—

''(1) IN GENERAL.—The Secretary may, upon application by a mortgagee, insure under this subsection any mortgage given to refinance an existing home equity conversion mortgage insured under this section.

''(2) ANTI-CHURNING DISCLOSURE.—The Secretary shall, by regulation, require that the mortgagee of a mortgage insured under this subsection, provide to the mortgagor, within an appropriate time period and in a manner established in such regulations, a good faith estimate of—

''(A) the total cost of the refinancing; and

''(B) the increase in the mortgagor's principal limit as measured by the estimated initial principal limit on the mortgage to be insured under this subsection less the current principal limit on the home equity conversion mortgage that is being refinanced and insured under this subsection.

''(3) WAIVER OF COUNSELING REQUIREMENT.—The mortgagor under a mortgage insured under this subsection may waive the applicability, with respect to such mortgage, of the requirements under subsection (d)(2)(B) (relating to third party counseling), but only if—

''(A) the mortgagor has received the disclosure required under paragraph (2);

''(B) the increase in the principal limit described in paragraph (2) exceeds the amount of the total cost of refinancing (as described in such paragraph) by an amount to be determined by the Secretary; and

''(C) the time between the closing of the original home equity conversion mortgage that is refinanced through the mortgage insured under this subsection and the application for a refinancing mortgage insured under this subsection does not exceed 5 years.

''(4) CREDIT FOR PREMIUMS PAID.—Notwithstanding section 203(c)(2)(A), the Secretary may reduce the amount of the single premium payment otherwise collected under such section at the time of the insurance of a mortgage refinanced and insured under this subsection. The amount of the single premium for mortgages refinanced under this subsection shall be determined by the Secretary based on an actuarial study conducted by the Secretary.

''(5) FEES.—The Secretary may establish a limit on the origination fee that may be charged to a mortgagor under a mortgage insured under this subsection, except that such limitation shall provide that the origination fee may be fully financed with the mortgage and shall include any fees paid to correspondent mortgagees approved by the Secretary. The Secretary shall prohibit the charging of any broker fees in connection with mortgages insured under this subsection.''.

(b) REGULATIONS.—

(1) IN GENERAL.—Notwithstanding sections 2 and 3 of this Act, the Secretary shall issue any final regulations necessary to implement the amendments made by subsection (a) of this section, which shall take effect not later than the expiration of the 180-day period beginning on the date of enactment of this Act.

(2) PROCEDURE.—The regulations under this subsection shall be issued after notice and opportunity for public comment in accordance with the procedure under section 553 of title 5, United States Code, applicable to substantive rules (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).●

Mr. KERRY. Mr. President, today, along with my colleagues, Senators SANTORUM and SARBANES, I am introducing legislation which will help address the lack of affordable housing for the most vulnerable Americans—the elderly, disabled persons, and low-income families. This bill closes a number of gaps in the federal housing assistance programs for these families, and ensures that programs designed to promote affordable housing can do so in this rapidly expanding economy.

As our economy flourishes at an unprecedented rate, many Americans have prospered. However, as the economy grows, so too does the gap between rich and poor. Instead of finding opportunities in this new economy, some Americans have found closed doors. This is especially true for low-income people who are being squeezed out of tight housing markets in my home state of Massachusetts and around the Nation.

Although a majority of elderly Americans live in decent, adequate and affordable housing, millions of elderly households require some assistance in order to afford housing that meets their needs. In fact, there are eight elderly people waiting for each unit of assisted elderly housing in this country. Fourteen percent of people in Massachusetts are over 65 years of age, and one out of every ten of these elderly persons has an income below the poverty level.

This bill expands upon the current program of providing affordable housing, increasing housing opportunities for low-income elderly and disabled persons, and bringing the program up-to-date. As Americans grow older, housing programs must be altered to address the changing needs of a generation that is living longer, and aging in place. This bill enables existing housing to be converted to assisted living facilities to meet the needs of the elderly and disabled.

Assisted living is the fastest growing type of elderly housing in the U.S., and this legislation ensures that this supportive, and increasingly necessary living arrangement, is available to all elderly and disabled Americans, regardless of income. By 2030, 20 percent of this Nation's population will be over the age of 65, compared with only 13 percent of the population today. As we make strides in medicine to allow older people to live longer, more active lives, we must also make sure that the services and structures are in place to support elderly Americans. This bill is a step in this direction.

This bill also encourages the leveraging of federal funds, helping to increase the stock of affordable housing. Public dollars alone are unable to meet the needs of low-income families. This legislation makes it easier for federal funds for disabled and elderly housing to be combined with other sources of funding, including the Low-Income Housing Tax Credit, and private funds.

Not only will this bill increase the supply of affordable housing for the elderly and disabled, it will help to preserve affordable housing for all low-income households. A record high number of households, 5.4 million, have worst case housing needs, paying over 50 percent of their income to housing costs or living in substandard housing. This is a 12 percent increase since 1991. At the same time that more Americans are finding it increasingly difficult to find suitable and affordable housing, the federal government has not been doing enough to preserve the affordable housing that exists.

A number of provisions aim to ensure that affordable housing is preserved. This bill allows uninsured 236 project owners to retain their excess income for use in the project, helping to keep these owners in the program and ensuring that the units will remain affordable. In addition, this bill includes the preservation bill introduced earlier this Congress by Senator JEFFORDS and myself, S. 1318, to provide matching grants to States and localities devoting resources to the preservation of affordable housing. Cities, like Boston, which have dedicated a substantial amount of funds to the production and preservation of affordable housing units, would receive federal funds to assist in their efforts under this provision, ensuring that an even greater number of units are preserved.

I hope that this critical legislation will attract broad support. At this time of prosperity, we cannot forget that while many Americans have benefited, there are still too many people who cannot afford to meet their basic housing needs. These people cannot be overlooked in this era of economic growth. This legislation ensures that they won't be.

Mr. SARBANES. Mr President, I come to the floor today in support of the Affordable Housing for Seniors and Families Act introduced by Senators KERRY and SANTORUM.

This bill expands upon critical housing programs for both elderly and disabled Americans. The Nation's population of elderly is growing rapidly. Between 1980 and 1997, the number of people over the age of 65 grew by 33 percent. AARP estimates that by 2030, 20 percent of the population will be over 65 years of age, compared to only 13 percent of the population today. We need to have programs in place to assist growing numbers of seniors.

AARP also estimates that there will be 2.8 million elderly people who, by 2020, will have difficulty performing a number of basic functions such as eating, bathing, and dressing. As American's age, traditional housing will have to change to accommodate the unique needs of those in their golden years. This bill will ensure that additional housing opportunities exist where these Americans can receive the services they need. This legislation allows

traditional elderly and disabled housing to be converted to assisted living facilities, to meet these growing needs.

We must not only work to ensure that adequate services are available, we must work to increase the affordable housing stock. A recent study conducted by HUD indicates that 1.7 million low-income elderly are in urgent need of affordable housing. Nearly 7.4 million elderly households pay more than they can afford on housing, and there are more than eight elderly people waiting for every unit of assisted elderly housing.

In addition, HUD estimates that 1.4 million disabled Americans have worst case housing needs, meaning they pay over half of their income for housing or live in substandard housing. The Consortium for Persons with Disabilities conducted a study in 1998 which showed that there was not one housing market in the U.S. where a disabled person receiving SSI benefits could afford rent based on federal guidelines.

The federal government is not doing enough to meet the needs of these low-income people. This legislation assists us in meeting these needs. It expands access to capital from both federal and non-federal sources for elderly and disabled housing programs, helping to create new housing opportunities for these communities. Providers of elderly and disabled housing will be able to link with the Low-Income Housing Tax Credit, a crucial source of affordable housing funding, and other private funds.

This bill also ensures that the affordable housing which exists in this country is maintained. This crucial stock of housing will be preserved through a matching grant preservation program authored by our colleagues, Senators KERRY and JEFFORDS, which will reward States and localities spending resources to preserve affordable housing by giving them federal dollars to assist in their efforts. This provision will help to ensure that as we increase the stock of affordable housing on the front end, we are not losing units on the back end—our goal is to increase available housing, not maintain the status quo.

This bill is a step in the right direction towards providing necessary housing opportunities for those Americans that are too often forgotten. And many people in this nation enjoy the benefits of a prospering economy, so too are many Americans being left behind. This legislation will ensure that more Americans have the opportunity to live in safe and decent housing.

By Mr. FITZGERALD:

S. 2734. A bill to amend the United States Warehouse Act to authorize the issuance of electronic warehouse receipts, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE WAREHOUSE IMPROVEMENT ACT OF 2000

● Mr. FITZGERALD. Mr. President, I rise today to introduce legislation to revitalize and streamline the federal program governing agricultural commodity warehouses. This legislation, entitled the ''Warehouse Improvement Act of 2000,'' will make U.S. agriculture more competitive in foreign markets through efficiencies and cost savings provided by today's computer technology and information management systems.

The Warehouse Act was originally enacted in 1916, and was subsequently amended in 1919, 1923, and 1931. However, since that time, the authorizing legislation for this program has seen little change. At the same time, U.S. agriculture and our society has seen drastic changes since the early part of the 20th century. Computer technology has revolutionized our world and laptops and handheld computers have become almost commonplace. Now is the time for us to bring USDA's agricultural warehouse program out of the dark ages and into the information age.

The U.S. Warehouse Act does not mandate participation by warehouse operators that it regulates; it simply offers those who apply and qualify for licenses an alternative to state regulation. Currently, warehouse licenses may be issued for the storage of cotton, grain, tobacco, wool, dry beans, nuts, syrup and cottonseed. According to the U.S. Department of Agriculture, 45.5 percent of the U.S. off-farm grain and rice storage capacity and 49.5 percent of the total cotton storage capacity is licensed under the Warehouse Act. In general, these paper warehouse receipts that are issued under the Warehouse Act are documents of title and represent ownership of the stored commodity.

The Warehouse Improvement Act of 2000 will make this program more relevant to today's agricultural marketing system. The legislation would authorize and standardize electronic documents and allow their transfer from buyer to seller across state and international boundaries. This new paperless flow of agricultural commodities from farm gate to end-user would provide significant savings and efficiencies for farmers across the Nation.

In 1992, the Congress directed the Secretary of Agriculture to establish electronic warehouse receipts for only the cotton industry. Since that time participation in the electronic-based program has grown to over half of the U.S. cotton crop. In 1996, for example, nearly 12 million bales of cotton, out of the total crop of approximately 19 million bales, were represented by electronic warehouse receipts. Recently, the cotton industry estimated that this electronic system saves them 5 to 15 dollars per bale, a savings of over $275 million per year. The legislation that I introduce today extends this electronic warehouse receipt program to all agricultural commodities covered by the U.S. Warehouse Act. This reduced paperwork, increased efficiency, and substantial time savings will certainly make U.S. agriculture more competitive in world markets, giving our U.S. farmers the upper hand.

In the short year and a half I have served in the U.S. Senate, I have introduced two bills that have been delivered to the President's desk to help bring the United States Department of Agriculture into the information age. First, S. 1733, the Electronic Benefit Transfer Interoperability and portability Act of 2000, which improves the electronic benefits transfer system that has provided significant savings and efficiency to the food stamp program, was signed into law on February 11 of this year (P.L. 106–171). And second, S. 777, the Freedom to E-File Act, requires USDA to set up a system to allow farmers to file all USDA required paperwork over the internet. This legislation unanimously passed both the House and Senate recently and is currently awaiting the President's signature. The legislation I am introducing today follows these two pieces of legislation by requiring USDA to use computer technology and information management systems to better serve farmers and the American public.

The Warehouse Improvement Act of 2000 is a positive step toward moving the Department of Agriculture from the computer technology ''dirt road'' to the information superhighway of the 21st century. It is common sense legislation and I look forward to working with my colleagues on this issue as the legislative session moves forward. I would also like to thank a number of the Senate Agriculture Committee staff who have worked tirelessly on this issue, including Michael Knipe and Bob White on Senator LUGAR's staff and Terry Van Doren on my staff. They have worked to build consensus among the USDA and the agricultural industry to bring about these needed changes to improve the efficiency of our grain marketing system. In fact, this legislation enjoys the support of USDA, the Association of American Warehouse Control Officials, the National Grain and Feed Association, the American Far Bureau Federation, and various other commodity groups.

I ask unanimous consent that the bill be printed in the RECORD following the conclusion of my remarks.

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

S. 2734

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 ''Warehouse Improvement Act of 2000''.

SEC. 2. STORAGE OF AGRICULTURAL PRODUCTS IN WAREHOUSES.

The United States Warehouse Act (7 U.S.C. 241 et seq.) is amended to read as follows:

''SECTION 1. SHORT TITLE.

''This Act may be cited as the 'United States Warehouse Act'.

''SEC. 2. DEFINITIONS.

''In this Act:

''(1) AGRICULTURAL PRODUCT.—The term 'agricultural product' means an agricultural

commodity, as determined by the Secretary, including a processed product of an agricultural commodity.

''(2) APPROVAL.—The term 'approval' means the consent provided by the Secretary for a person to engage in an activity authorized by this Act.

''(3) DEPARTMENT.—The term ''Department'' means the Department of Agriculture.

''(4) ELECTRONIC DOCUMENT.—The term 'electronic document' means a document authorized under this Act generated, sent, received, or stored by electronic, optical, or similar means, including electronic data interchange, electronic mail, telegram, telex, or telecopy.

''(5) ELECTRONIC RECEIPT.—The term 'electronic receipt' means a receipt that is authorized by the Secretary to be issued or transmitted under this Act in the form of an electronic document.

''(6) HOLDER.—

''(A) IN GENERAL.—The term 'holder' means a person, as defined by the Secretary, that has possession in fact or by operation of law of a receipt or any electronic document.

''(B) INCLUSION.—The term 'holder' includes a person that has possession of a receipt or electronic document as a creditor of another person.

''(7) PERSON.—The term 'person' means—

''(A) a person (as defined in section 1 of title 1, United States Code);

''(B) a State; and

''(C) a political subdivision of a State.

''(8) RECEIPT.—The term 'receipt' means a warehouse receipt issued in accordance with this Act, including an electronic receipt.

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

''(10) WAREHOUSE.—The term 'warehouse' means a structure or other approved storage facility, as determined by the Secretary, in which any agricultural product may be stored or handled for the purposes of interstate or foreign commerce.

''(11) WAREHOUSE OPERATOR.—The term 'warehouse operator' means a person that is lawfully engaged in the business of storing or handling agricultural products.

''SEC. 3. POWERS OF SECRETARY.

''(a) IN GENERAL.—The Secretary shall have exclusive power, jurisdiction, and authority, to the extent that this Act applies, with respect to—

''(1) each warehouse operator licensed under this Act;

''(2) each person that has obtained an approval to engage in an activity under this Act; and

''(3) each person claiming an interest in an agricultural product by means of an electronic document or electronic receipt subject to this Act.

''(b) COVERED AGRICULTURAL PRODUCTS.—The Secretary shall specify, after an opportunity for notice and comment, those agricultural products for which a warehouse license may be issued under this Act.

''(c) INVESTIGATIONS.—The Secretary may investigate the storing, warehousing, classifying according to grade and otherwise, weighing, and certifying of agricultural products.

''(d) INSPECTIONS.—The Secretary may inspect or cause to be inspected any person or warehouse licensed under this Act and any warehouse for which a license is applied for under this Act.

''(e) SUITABILITY FOR STORAGE.—The Secretary may determine whether a licensed warehouse, or a warehouse for which a license is applied for under this Act, is suitable for the proper storage of the agricultural product or products stored or proposed for storage in the warehouse.

''(f) CLASSIFICATION.—The Secretary may classify a licensed warehouse, or a warehouse for which a license is applied for under this Act, in accordance with the ownership, location, surroundings, capacity, conditions, and other qualities of the warehouse and as to the kinds of licenses issued or that may be issued for the warehouse under this Act.

''(g) WAREHOUSE OPERATOR'S DUTIES.—Subject to the other provisions of this Act, the Secretary may prescribe the duties of a warehouse operator operating a warehouse licensed under this Act with respect to the warehouse operator's care of and responsibility for agricultural products stored or handled by the warehouse operator.

''(h) SYSTEMS FOR CONVEYANCE OF TITLE IN AGRICULTURAL PRODUCTS.—The Secretary may approve 1 or more systems under which title in agricultural products may be conveyed and under which documents relating to the shipment, payment, and financing of the sale of agricultural products may be transferred, including conveyance of receipts and any other written or electronic documents in accordance with a process established by the Secretary.

''(i) EXAMINATION AND AUDITS.—The Secretary may conduct an examination, audit, or similar activity with respect to—

''(1) any person that is engaged in the business of storing an agricultural product that is subject to this Act;

''(2) any State agency that regulates the storage of an agricultural product by such a person; or

''(3) any commodity exchange with regulatory authority over the storage of agricultural products that are subject to this Act.

''(j) LICENSES FOR OPERATION OF WAREHOUSES.—The Secretary may issue to any warehouse operator a license for the operation of a warehouse in accordance with this Act if—

''(1) the Secretary determines that the warehouse is suitable for the proper storage of the agricultural product or products stored or proposed for storage in the warehouse; and

''(2) the warehouse operator agrees, as a condition of the license, to comply with this Act (including regulations promulgated under this Act).

''(k) LICENSING OF OTHER PERSONS.—

''(1) IN GENERAL.—On presentation of satisfactory proof of competency to carry out the activities described in this paragraph, the Secretary may issue to any person a Federal license—

''(A) to inspect any agricultural product stored or handled in a warehouse subject to this Act;

''(B) to sample such an agricultural product;

''(C) to classify such an agricultural product according to condition, grade, or other class and certify the condition, grade, or other class of the agricultural product; or

''(D) to weigh such an agricultural product and certify the weight of the agricultural product.

''(2) CONDITION.—As a condition of a license issued under paragraph (1), the licensee shall agree to comply with this Act (including regulations promulgated under this Act).

''(l) EXAMINATION OF BOOKS, RECORDS, PAPERS, AND ACCOUNTS.—The Secretary may examine, using designated officers, employees, or agents of the Department, all books, records, papers, and accounts relating to activities subject to this Act of—

''(1) a warehouse operator operating a warehouse licensed under this Act;

''(2) a person operating a system for the electronic recording and transfer of receipts and other documents authorized by the Secretary; or

''(3) any other person issuing receipts or electronic documents authorized by the Secretary under this Act.

''(m) COOPERATION WITH STATES.—The Secretary may—

''(1) cooperate with officers and employees of a State who administer or enforce State laws relating to warehouses, warehouse operators, weighers, graders, inspectors, samplers, or classifiers; and

''(2) enter into cooperative agreements with States to perform activities authorized under this Act.

''SEC. 4. IMPOSITION AND COLLECTION OF FEES.

''(a) IN GENERAL.—The Secretary shall charge, assess, and cause to be collected fees to cover the costs of administering this Act.

''(b) RATES.—The fees under this section shall be set at a rate determined by the Secretary.

''(c) TREATMENT OF FEES.—All fees collected under this section shall be credited to the account that incurs the costs of administering this Act and shall be available to the Secretary without further appropriation and without fiscal year limitation.

''(d) INTEREST.—Funds collected under this section may be deposited in an interest bearing account with a financial institution, and any interest earned on the account shall be credited under subsection (c).

''(e) EFFICIENCIES AND COST EFFECTIVENESS.—

''(1) IN GENERAL.—The Secretary shall seek to minimize the fees established under this section by improving efficiencies and reducing costs, including the efficient use of personnel to the extent practicable and consistent with the effective implementation of this Act.

''(2) REPORT.—The Secretary shall publish an annual report on the actions taken by the Secretary to comply with paragraph (1).

''SEC. 5. QUALITY AND VALUE STANDARDS.

''If standards for the evaluation or determination of the quality or value of an agricultural product are not established under another Federal law, the Secretary may establish standards for the evaluation or determination of the quality or value of the agricultural product under this Act.

''SEC. 6. BONDING AND OTHER FINANCIAL ASSURANCE REQUIREMENTS.

''(a) IN GENERAL.—As a condition of receiving a license or approval under this Act (including regulations promulgated under this Act), the person applying for the license or approval shall execute and file with the Secretary a bond, or provide such other financial assurance as the Secretary determines appropriate, to secure the person's performance of the activities so licensed or approved.

''(b) SERVICE OF PROCESS.—To qualify as a suitable bond or other financial assurance under subsection (a), the surety, sureties, or financial institution shall be subject to service of process in suits on the bond or other financial assurance in the State, district, or territory in which the warehouse is located.

''(c) ADDITIONAL ASSURANCES.—If the Secretary determines that a previously approved bond or other financial assurance is insufficient, the Secretary may suspend or revoke the license or approval covered by the bond or other financial assurance if the person that filed the bond or other financial assurance does not provide such additional bond or other financial assurance as the Secretary determines appropriate.

''(d) THIRD PARTY ACTIONS.—Any person injured by the breach of any obligation arising under this Act for which a bond or other financial assurance has been obtained as required by this section may sue with respect to the bond or other financial assurance in a district court of the United States to recover

the damages that the person sustained as a result of the breach.

"SEC. 7. MAINTENANCE OF RECORDS.

''To facilitate the administration of this Act, the following persons shall maintain such records and make such reports, as the Secretary may by regulation require:

''(1) A warehouse operator that is licensed under this Act.

''(2) A person operating a system for the electronic recording and transfer of receipts and other documents that are authorized under this Act.

''(3) Any other person issuing receipts or electronic documents that are authorized under this Act.

"SEC. 8. PRECLUSION OF LIABILITY.

''Nothing in this Act creates any liability with respect to the Secretary or any officer, employee, or agent of the Department in any case in which a warehouse operator or other person authorized by the Secretary to carry out this Act fails to perform a contractual obligation that is not subject to this Act (including regulations promulgated under this Act).

"SEC. 9. FAIR TREATMENT IN STORAGE OF AGRICULTURAL PRODUCTS.

''(a) IN GENERAL.—Subject to the capacity of a warehouse, a warehouse operator shall deal, in a fair and reasonable manner, with persons storing, or seeking to store, an agricultural product in the warehouse if the agricultural product—

''(1) is of the kind, type, and quality customarily stored or handled in the area in which the warehouse is located;

''(2) is tendered to the warehouse operator in a suitable condition for warehousing; and

''(3) is tendered in a manner that is consistent with the ordinary and usual course of business.

''(b) ALLOCATION.—Nothing in this section prohibits a warehouse operator from entering into an agreement with a depositor of an agricultural product to allocate available storage space.

"SEC. 10. COMMINGLING OF AGRICULTURAL PRODUCTS.

''(a) IN GENERAL.—A warehouse operator may commingle agricultural products in a manner approved by the Secretary.

''(b) LIABILITY.—A warehouse operator shall be severally liable to each depositor or holder for the care and redelivery of the share of the depositor and holder of the commingled agricultural product to the same extent and under the same circumstances as if the agricultural products had been stored separately.

"SEC. 11. TRANSFER OF STORED AGRICULTURAL PRODUCTS.

''(a) IN GENERAL.—In accordance with regulations promulgated under this Act, a warehouse operator may transfer a stored agricultural product from 1 warehouse to another warehouse for continued storage.

''(b) CONTINUED DUTY.—The warehouse operator from which agricultural products have been transferred under subsection (a) shall deliver to the rightful owner of such products, on request at the original warehouse, such products in the quantity and of the kind, quality, and grade called for by the receipt or other evidence of storage of the owner.

"SEC. 12. ISSUANCE OF RECEIPTS AND OTHER DOCUMENTS.

''(a) IN GENERAL.—Subject to subsections (b) and (c) and except as otherwise provided in this Act, at the request of the depositor of an agricultural product stored or handled in a warehouse licensed under this Act, the warehouse operator shall issue a receipt to the depositor as prescribed by the Secretary.

''(b) ACTUAL STORAGE REQUIRED.—A receipt may not be issued under this section for an agricultural product unless the agricultural product is actually stored in the warehouse at the time of the issuance of the receipt.

''(c) CONTENTS.—Each receipt issued for an agricultural product stored or handled in a warehouse licensed under this Act shall contain such information, for each agricultural product covered by the receipt, as the Secretary may require by regulation.

''(d) PROHIBITION ON ADDITIONAL RECEIPTS OR OTHER DOCUMENTS.—

''(1) RECEIPTS.—While a receipt issued under this Act is outstanding and uncanceled by the warehouse operator, no other or further receipt may be issued for the same agricultural product (or any portion of the same agricultural product) represented by the outstanding receipt, except as authorized by the Secretary.

''(2) OTHER DOCUMENTS.—If a written or electronic document is recorded or transferred under this section, no other similar document in any form shall be issued by any person with respect to the same agricultural product represented by the document, except as authorized by the Secretary.

''(e) ELECTRONIC RECEIPTS AND ELECTRONIC DOCUMENTS.—Except as provided in subsection (f) and notwithstanding any other provision of Federal or State law:

''(1) IN GENERAL.—The Secretary shall promulgate regulations to authorize the issuance of electronic receipts, and the recording and transfer of electronic receipts and other documents, in accordance with this subsection.

''(2) SYSTEMS FOR ELECTRONIC RECORDING AND TRANSFER.—Electronic receipts and electronic documents issued with respect to an agricultural product may be recorded in, and transferred under, a system or systems maintained in 1 or more locations.

''(3) TREATMENT OF HOLDER.—The person designated as a holder of an electronic receipt or other electronic document shall be considered, for the purposes of Federal and State law, to be in possession of the receipt or document.

''(4) SECURITY INTERESTS.—

''(A) PERFECTION OF INTEREST.—Any security interest lawfully asserted by a person under any Federal or State law with respect to an agricultural product that is the subject of an electronic receipt, or an electronic document filed under any system for electronic receipts or other electronic documents issued or filed in accordance with this Act, may be perfected only by recording the security interest in the system in the manner specified by the regulations promulgated under paragraph (1).

''(B) EFFECT OF RECORDATION.—The recordation by a person of the person's security interest in any agricultural product included in any system for electronic receipts or other electronic documents issued or filed in accordance with this Act shall, for the purposes of Federal and State law, establish the security interest of the person.

''(C) PRIORITY.—If more than 1 security interest exists in an agricultural product covered by an electronic receipt, the priority of the security interests shall be determined by the applicable Federal or State law.

''(D) ENCUMBRANCES.—

''(i) OPERATORS LICENSED UNDER STATE LAW.—If a warehouse operator licensed under State law elects to issue an electronic receipt authorized under this subsection, a security interest, lien, or other encumbrance may be recorded on the electronic receipt under this subsection only if the security interest, lien, or other encumbrance is—

''(I) authorized by State law to be included on a written warehouse receipt; and

''(II) recorded in a manner prescribed by the Secretary.

''(ii) OTHER APPLICATIONS.—If a warehouse operator licensed under this Act, or a warehouse operator not licensed under State law, elects to issue an electronic receipt authorized under this subsection, a security interest, lien, or other encumbrance shall be recorded on the electronic receipt in a manner prescribed by the Secretary.

''(5) EFFECT OF PURCHASE OF RECEIPT OR DOCUMENT.—A person purchasing an electronic receipt or electronic document shall take possession of the agricultural product free and clear of all liens, except those liens recorded in the system or systems established under the regulations promulgated under paragraph (1).

''(6) ACCEPTANCE.—

''(A) IN GENERAL.—An electronic receipt issued, and an electronic document transferred, in accordance with the regulations promulgated under paragraph (1) shall be accepted in any business, market, or financial transaction, whether governed by Federal or State law.

''(B) NO ELECTRONIC RECEIPT REQUIRED.—A person shall not be required to issue a receipt or document with respect to an agricultural product in electronic format.

''(7) LEGAL EFFECT.—Information created to comply with this Act (including regulations promulgated under this Act) shall not be denied legal effect, validity, or enforceability on the ground that the information is generated, sent, received, or stored by electronic or similar means.

''(8) OPTION FOR STATE LICENSED WAREHOUSE OPERATORS.—Notwithstanding any other provision of this Act, a State-licensed warehouse operator not licensed under this Act may, at the option of the warehouse operator, issue electronic receipts and electronic documents in accordance with this subsection.

''(9) APPLICATION.—This subsection shall not apply to a warehouse operator that is licensed under State law to store agricultural commodities in a warehouse in the State if the warehouse operator elects—

''(A) not to issue electronic receipts authorized under this subsection; or

''(B) to issue electronic receipts authorized under State law.

''(f) ELECTRONIC RECEIPTS AND ELECTRONIC DOCUMENTS FOR COTTON.—

''(1) AUTHORITY.—

''(A) CENTRAL FILING.—Notwithstanding any other provision of Federal or State law, the Secretary, or the designated representative of the Secretary, may provide that, in lieu of issuing a receipt for cotton stored in a warehouse licensed under this Act or in any other warehouse, the information required to be included in a receipt (i) under this Act in the case of a warehouse licensed under this Act or (ii) under any applicable State law in the case of a warehouse not licensed under this Act, shall be recorded instead in 1 or more central filing systems maintained in 1 or more locations in accordance with regulations promulgated by the Secretary.

''(B) DELIVERY OF COTTON.—Any record under subparagraph (A) shall include a statement that the cotton shall be delivered to a specified person or to the order of the person.

''(C) ELECTRONIC TRANSMISSION FACILITIES BETWEEN WAREHOUSES AND SYSTEM.—

''(i) NONAPPLICABILITY TO WAREHOUSES WITHOUT FACILITIES.—This subsection and section 4 shall not apply to a warehouse that does not have facilities to electronically transmit and receive information to and from a central filing system under this subsection.

''(ii) NO REQUIREMENT TO OBTAIN FACILITIES.—Nothing in this subsection requires a warehouse operator to obtain facilities described in clause (i).

''(2) RECORDATION AND ENFORCEMENT OF LIENS IN CENTRAL FILING SYSTEM.—Notwithstanding any other provision of Federal or State law:

''(A) RECORDATION.—The record of the possessory interests of persons in cotton included in a central filing system under this subsection—

''(i) shall be considered to be a receipt for the purposes of this Act and State law; and

''(ii) shall establish the possessory interest of persons in the cotton.

''(B) ENFORCEMENT.—

''(i) POSSESSION OF WAREHOUSE RECEIPT.—Any person designated as a holder of an electronic warehouse receipt authorized under this subsection or section 4 shall, for the purpose of perfecting the security interest of the person under Federal or State law with respect to the cotton covered by the warehouse receipt, be considered to be in possession of the warehouse receipt.

''(ii) PRIORITY OF SECURITY INTERESTS.—If more than 1 security interest exists in the cotton represented by the electronic warehouse receipt, the priority of the security interests shall be determined by applicable Federal or State law.

''(iii) APPLICABILITY.—This subsection is applicable to electronic cotton warehouse receipts and any other security interests covering cotton stored in a cotton warehouse, regardless of whether the warehouse is licensed under this Act.

''(3) CONDITIONS FOR DELIVERY ON DEMAND FOR COTTON STORED.—A warehouse operator operating a warehouse covered by this subsection, in the absence of a lawful excuse, shall, without unnecessary delay, deliver the cotton stored in the warehouse on demand made by the person named in the record in the central filing system as the holder of the receipt representing the cotton, if the demand is accompanied by—

''(A) an offer to satisfy the valid lien of a warehouse operator, as determined by the Secretary; and

''(B) an offer to provide an acknowledgment in a central filing system under this subsection, if requested by the warehouse operator, that the cotton has been delivered.

''SEC. 13. CONDITIONS FOR DELIVERY OF AGRICULTURAL PRODUCTS.

''(a) PROMPT DELIVERY.—In the absence of a lawful excuse, a warehouse operator shall, without unnecessary delay, deliver the agricultural product stored or handled in the warehouse on a demand made by—

''(1) the holder of the receipt for the agricultural product; or

''(2) the person that deposited the product, if no receipt has been issued.

''(b) PAYMENT TO ACCOMPANY DEMAND IF REQUESTED.—

''(1) IN GENERAL.—Demand for delivery shall be accompanied by payment of the accrued charges associated with the storage of the agricultural product if requested by the warehouse operator.

''(2) SPECIAL RULE FOR COTTON.—In the case of cotton stored in a warehouse, the warehouse operator shall provide a written request for payment of the accrued charges associated with the storage of the cotton to the holder of the receipt at the time at which demand for the delivery of the cotton is made.

''(c) SURRENDER OF RECEIPT.—When the holder of a receipt requests delivery of an agricultural product covered by the receipt, the holder shall surrender the receipt to the warehouse operator, in the manner prescribed by the Secretary, to obtain the agricultural product.

''(d) CANCELLATION OF RECEIPT.—A warehouse operator shall cancel each receipt returned to the warehouse operator upon the delivery of the agricultural product for which the receipt was issued.

''SEC. 14. SUSPENSION OR REVOCATION OF LICENSES.

''(a) IN GENERAL.—After providing notice and an opportunity for a hearing in accordance with this section, the Secretary may suspend or revoke any license issued, or approval for an activity provided, under this Act—

''(1) for a material violation of, or failure to comply, with any provision of this Act (including regulations promulgated under this Act); or

''(2) on the ground that unreasonable or exorbitant charges have been imposed for services rendered.

''(b) TEMPORARY SUSPENSION.—The Secretary may temporarily suspend a license or approval for an activity under this Act prior to an opportunity for a hearing for any violation of, or failure to comply with, any provision of this Act (including regulations promulgated under this Act).

''(c) AUTHORITY TO CONDUCT HEARINGS.—The agency within the Department that is responsible for administering regulations promulgated under this Act shall have exclusive authority to conduct any hearing required under this section.

''(d) JUDICIAL REVIEW.—

''(1) JURISDICTION.—A final administrative determination issued subsequent to a hearing may be reviewable only in a district court of the United States.

''(2) PROCEDURE.—The review shall be conducted in accordance with the standards set forth in section 706(2) of title 5, United States Code.

''SEC. 15. PUBLIC INFORMATION.

''(a) IN GENERAL.—The Secretary may release to the public the results of any investigation made or hearing conducted under this Act, including the names, addresses, and locations of all persons—

''(1) that have been licensed under this Act or that have been approved to engage in an activity under this Act; and

''(2) with respect to which a license or approval has been suspended or revoked under section 14, including the reasons for the suspension or revocation.

''(b) CONFIDENTIALITY.—Except as otherwise provided by law, an officer, employee, or agent of the Department shall not divulge confidential business information obtained during a warehouse examination or other function performed as part of the duties of the officer, employee, or agent under this Act.

''SEC. 16. PENALTIES FOR NONCOMPLIANCE.

''(a) CIVIL PENALTIES.—If a person fails to comply with any requirement of this Act (including regulations promulgated under this Act), the Secretary may assess, on the record after an opportunity for a hearing, a civil penalty—

''(1) of not more than $25,000 per violation, if an agricultural product is not involved in the violation; or

''(2) of not more than 100 percent of the value of the agricultural product, if an agricultural product is involved in the violation.

''(b) FEDERAL JURISDICTION.—A district court of the United States shall have exclusive jurisdiction over any action brought under this Act without regard to the amount in controversy or the citizenship of the parties.

''(c) ARBITRATION.—Nothing in this Act prevents the enforceability of an agreement to arbitrate that would otherwise be enforceable under chapter 1 of title 9, United States Code.

''SEC. 17. REGULATIONS.

''The Secretary shall promulgate such regulations as the Secretary considers necessary to carry out this Act.

''SEC. 18. AUTHORIZATION OF APPROPRIATION.

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

By Mr. CONRAD (for himself, Mr. GRASSLEY, Mr. DASCHLE, Mr. BAUCUS, Mr. KERREY, Mr. JEFFORDS, Mr. ROCKEFELLER, Mr. THOMAS, Mr. HARKIN, Mr. ROBERTS, Mr. JOHNSON, Mr. COCHRAN, and Mrs. LINCOLN):

S. 2735. A bill to promote access to health care services in rural areas; to the Committee on Finance.

HEALTH CARE ACCESS AND RURAL EQUALITY ACT OF 2000

Mr. CONRAD. Mr. President, today, I rise to introduce the Health Care Access and Rural Equality Act of 2000 (H-CARE).

This proposal is the result of a bipartisan and bicameral effort. I am proud to be joined by several cosponsors, including Senators GRASSLEY, DASCHLE, THOMAS, HARKIN, BAUCUS, KERREY, JEFFORDS, ROCKEFELLER, ROBERTS, JOHNSON, LINCOLN, and COCHRAN. I would also like to thank our House companions for joining me as supporters of this proposal. In particular, would like to recognize Representatives FOLEY, POMEROY, TANNER, NUSSLE, MCINTYRE, STENHOLM, BERRY, and LUCAS for their efforts. Working together, I believe we are taking important steps toward improving health care access in our rural communities.

Also, I would like to thank the National Rural Health Association, the Federation of American Health Systems, and the College of American Pathologists for their support of this effort.

Last year, we received information that 12 of my State's 35 rural hospitals were in jeopardy of closing. In North Dakota, many areas do not have hospitals within their county borders. This means that in some areas of my State, many communities depend on having access to one specific rural health care facility. If this facility were to close, this would leave residents in these areas without access to vital health care services.

We know that in many rural communities, Medicare patients make up the majority of the typical rural hospitals' caseloads—in N.D., more than 70 percent of most rural hospitals' patients are covered by Medicare. This means that Medicare funding and changes to the program greatly impact our small, rural providers.

Unfortunately, while our rural facilities may serve a disproportionate number of Medicare patients, they are often forced to operate with merely half the reimbursement of their urban counterparts. For example, Mercy Hospital in Devils Lake receives on average about $4,200 for treating a patient with pneumonia. In New York City, we know that some hospitals receive more than $8,500 for treating the same illness. This disparity places our providers at a clear disadvantage.

Against the backdrop of this funding disparity, we know that rural providers

were particularly hard hit by reductions in the Balanced Budget Act of 1997. Last year, N.D. hospitals were losing at minimum 7 percent on every Medicare patient they serve. In some of our smaller communities, hospital margins fell as low as negative 21 percent. How can our hospitals be expected to survive at a 20 percent loss?

Recognizing the challenges that our communities were facing, I fought hard last year to offer relief to our rural providers. I am happy to say that the Balanced Budget Refinement Act of 1999 (BBRA) brought more than $100 million to our ND providers—but we must do more.

Even though the BBRA improved the outlook for our hospitals, N.D. facilities are still in financial trouble—they are still projected to have negative 4.9 percent margins by 2002. Continued funding shortfalls have made it, and will continue to make it, impossible for our smallest rural hospitals to make needed building improvements; impossible for them to provide patients access to updated technologies; and difficult for them to competitively recruit and retain health care providers, particularly to the most isolated, frontier areas.

For this reason, I rise to introduce H–CARE. This legislation offers targeted relief to our most vulnerable rural providers, including: our sole community, critical access, and Medicare dependent hospitals.

In particular, H–CARE would offer a full inflation update to all rural hospitals. The BBA limited hospitals' inflation updates through 2002. This has meant that our providers have not been allowed to receive payments that are in line with the costs they incur for serving Medicare patients. H–CARE would close the gap on this funding shortfall.

Also, H–CARE permanently extends the important Medicare dependent hospital program, which is due to expire in 2006, and would offer these providers more up-to-date funding. Currently, they are reimbursed based on 1988 costs. As providers that serve at least a 60 percent Medicare caseload, it is important that they receive appropriate Medicare payments.

In addition, H–CARE addresses several flaws in last year's Medicare add-back bill that have adversely impacted our rural providers. For example, many rural hospitals entered the Critical Access Hospital (CAH) program under the promise that they would receive adequate resources to keep their doors open. The BBRA inadvertently limited these hospitals' ability to receive funding for providing lab services to their patients. H–CARE fixes this problem by ensuring CAHs once again receive the funding they need to provide lab services.

For our sole community hospitals, H–CARE corrects an error in the BBRA which excluded some of these hospitals from receiving higher reimbursement rates based on more recent costs. H–CARE fixes this mistake by letting all sole community hospitals receive more up-to-date payments based on 1996 costs. This is particularly important for N.D. since 29 of my state's 36 rural facilities are sole community hospitals.

Lastly, H–CARE would establish a loan fund that rural facilities could access to repair crumbling buildings or update their equipment—eligible facilities could receive up to $5m to make repairs and an extra $50,000 to help develop a capital improvement plan. H–CARE also includes grants, in the amount of $50,000 per facility, that hospitals could use to purchase new technology and train staff on using this technology.

In summary, this year, I will fight to enact these and other measures that are vital to improving our rural health care system. I urge my colleagues to support this important effort.

● Mr. JOHNSON. Mr. President, I am pleased to join my colleagues today to support introduction of the Health Care Access and Rural Equality Act of 2000, known as H–CARE.

I especially want to commend Senators CONRAD and GRASSLEY, and Representative FOLEY for the tremendous amount of effort they put forth in drafting this key legislation. As well, I commend a number of my other colleagues who have contributed immensely to the crafting of this bill, including Senators DASCHLE, HARKIN, ROBERTS, THOMAS, KERREY, ROCKEFELLER, and Representatives POMEROY, TANNER, NUSSLE, and MCINTYRE.

The bipartisan and bicameral support for this legislation signifies the critical and often times desperate condition, that our rural hospitals are in due in large part to the unforeseen impact of the Balanced Budget Act (BBA) of 1997 and disparities in Medicare reimbursements for rural facilities.

Impact estimates and preliminary data suggest that the BBA cuts have fallen squarely on the shoulders of our rural hospitals who do not have the operating margins to shoulder consecutive years of budgetary deficits. Unfortunately, rural hospitals do not have the luxury of trimming spending in one area to meet the needs in another. Recent cuts have forced hospitals to eliminate important programs such as home health care or therapy services in order to operate within these tight budget restraints.

Rural hospitals are charged with the responsibility to provide high-quality, compassionate care to individuals in times of need, especially our senior and disabled Medicare populations. However, it also seems evident to me that we have asked hospitals to do a day's work for an hour's pay.

The H–CARE Act works to restore some of the funding disparities that exist for rural hospitals and provides resources to ensure their survival.

Hospitals in my home state of South Dakota face a potential loss in Medicare revenues of nearly $171 million over five years if something is not done to help them.

Provisions in H–CARE including inflation updates for rural hospitals, protection for Medicare Dependent Hospitals, support for the Critical Access Hospitals Programs, creation of a capital infrastructure loan program, assistance to update technology, and increased reimbursement for Sole Community Hospitals will allow rural facilities the necessary resources to keep their doors open.

We are talking about rural facilities such as the Medical Center in Huron, SD, which was forced to eliminate 24 full time positions to compensate for Medicare cuts in their FY 2001 budget, or the hospital in Burke, SD, which had to cut $124,000 from their hospital this year to ensure their survival. These are just a few examples of the many stories that I've heard from hospitals administrators throughout my home state of South Dakota.

Once again, I am please to join my colleagues today as an original cosponsor of the H–CARE Act and look forward to working with the full Senate to ensure quick and immediate action on this critically important legislation.●

By Mr. DOMENICI (for himself, and Mr. BINGAMAN):

S. 2736. A bill to provide compensation for victims of the fire initiated by the National Park Service at Bandelier National Monument, New Mexico; to the Committee on Environment and Public Works.

THE CERRO GRANDE FIRE ASSISTANCE ACT

Mr. DOMENICI. Mr. President, let me say from the very beginning of this discussion today, it has been a real pleasure to work with Senator BINGAMAN and his staff—and I hope that is mutual—on putting together a bill that we are going to introduce today. It is our best effort to put together a bill that permits the citizens of Los Alamos, the people who reside there, whose houses or personal property were damaged or destroyed, and businesses that existed, owned either by corporations or individuals—the damage they might have suffered. This is just a partial list. I will read the list before we leave the floor.

This is an effort to compensate the Indian people for similar losses.

Mr. President, since May 4, 2000, it is now known that the National Park Service started a forest fire, a so-called prescribed burn, at Bandelier National Monument in New Mexico. That was done during the height of the fire season and, regrettably, as everyone now knows, that fire, which was expected to be a controlled burn by the Park Service in Bandelier National Park, was not able to be controlled by those who were called in to control it. The fire went right down the mountainside, ended up burning down the forest and parts of the community of Los Alamos. The fire destroyed more than 425 residences.

I am going to start from the beginning with just one photo. Senator

BINGAMAN has others. He drove the streets while some of the fires were still cooling off. As I understand it, Senator BINGAMAN could see the remnants of steam and heat, and the residue of fires that had not yet totally burned out.

This is just one picture of the old town site. That means there is a part of the area that was built up by the Federal Government years ago when Los Alamos was a closed off and secret community, at which the first atomic bomb was being built. All of the science was put in place up there, and it was totally a secret city. Years later, while I was a Senator—I have been here 28 years—we tore down the walls and sold those houses to individuals.

This is the way the fire looked as a house burned adjoining the trees and forests that surround Los Alamos. It was actually much worse than that. But that is the best we can do in a photograph of this type.

The fire started on May 4, and by May 5 it was a full-fledged wildfire devouring everything in its path. Ultimately, it devoured 48,000 acres of forest land and significant parts of the community where houses and businesses were owned by individuals.

During the time this fire burned out of control, our Nation was celebrating the 50th anniversary of Smokey the Bear; that is, the date of his rescue from a raging forest fire in the Lincoln National Forest in NM.

For 50 years, Smokey the Bear had cautioned Americans to be careful. Apparently, no one told the Park Service.

The decision was made to start a forest fire. The basis was a miscalculation of the danger. The result was, believe it or not, about 25,000 people were evacuated; 405 families lost their residences or homes; two Indian pueblos lost land, livelihood, and sacred sites; and 48,000 acres were transformed from a lush forest into a charcoal garden covered in some places by 12 inches of ash.

The cost thus far to taxpayers just to fight the fire is perhaps $10 million.

We now have a couple of official reports. We have a 40-page report called ''Sierra Grande Prescribed Burn Investigative Report'' dated May 18, 2000. It can be summarized.

Too little planning; too few followed procedures; too little caution; too little experience; too much dry underbrush; too much wind; too much advice unheeded; and too late arrival of the ''hotshot'' experts; and, it was too bad.

It is more than too bad. It calls into question the policy with reference to prescribed burns. But that is an issue for another day. But I am hopeful that serious discussions are taking place as to how we should handle controlled burns in the future.

We have a catastrophe. It is a catastrophe that it started in the first place. There is no doubt about that.

It is a tragedy that it destroyed homes. There is no doubt about that.

It is a disaster that fire disrupted businesses. It cost State and local governments millions of dollars. There is no disagreement about that.

Imagine the horror of seeing your home reduced to ashes and the freakishness of owning a concrete staircase to nowhere and calling it your home as you come back to visit. The house is burned to the ground, and only cement steps remain.

Imagine seeing your neighborhood reduced to a row of brick chimneys and concrete foundations.

Consider the irony of a home burned to the ground while the wooden tree house stands unoccupied in the yard.

Imagine the task of sifting through the ashes for any unincinerated remnants of your life.

Think about the gawkers and the TV trucks driving through your neighborhood waiting to see if the first rains produce mudslides and/or floods.

Imagine your life if you were they.

You want to go back to work, to get the kids back into a routine, but your life is a series of back-to-back-meetings, dealing with appraisers, contractors, insurance, FEMA, SBA, and flood insurance.

Everyone involved wishes that the fire could be unset, the match unlit, the decision unmade, but there is no way to undo the catastrophe.

The Federal Government can't undo the damage, but it can provide prompt compensation. That is the objective of the legislation that Senator BINGAMAN and I are introducing today. We have worked closely with the administration, and I am pleased that they support this legislation.

I am pleased to introduce legislation that starts the process of rebuilding lives. It provides an expedited settlement process for the victims of the fire.

The first estimate of the cost that we are covering is an approximate number of $300 million. We will use $300 million as our approximate cost as we take this bill into conference on the MILCON bill and attempt to get it adopted in an expedited matter as part of that conference, along with the moneys needed to compensate the victims for their claims under this legislation. And there are moneys for other components of the fire under other federal programs—$134 million for the laboratory damage itself, which is a separate appropriations item.

To accomplish the goal of compensating fire victims in the most efficient and fair way possible, this legislation establishes a compensation process through a separate Office of Cerro Grande Fire Claims at FEMA.

It provides for full compensation for property losses and personal injuries sustained by the victims, including all individuals, regardless of their immigration status, small businesses, local governments, schools, Indian tribes, and any other entities injured as a result of the fire.

Such compensation will include the replacement cost of homes, cars, and any other property lost or damaged in the fire, as well as lost wages, business losses, insurance deductibles, emergency staffing expenses, debris removal and other clean-up costs, and any other losses deemed appropriate by the Director of FEMA.

To make sure that this is an expedited procedure, within 45 days of enactment, FEMA must promulgate rules governing the claims process. After the rules are in place, FEMA must publish in newspapers and other places in New Mexico, an easy-to-understand description of the claims process in English and Spanish, so that everyone will know their rights and where and how to file a claim.

Once those rules are in place, victims will have 2 years to file their claims, and FEMA must pay those claims within 6 months of filing.

During the adjudication of each claim, FEMA is authorized to make interim payments to victims so that those with the greatest need will not be forced to wait a long time before receiving some form of compensation from the government.

This bill also will reimburse insurance companies for the costs they paid to help rebuild Los Alamos and the surrounding communities. Under this bill, insurance companies will be able to make subrogation claims against the government on behalf of themselves or their policyholders in same manner as any other victim of the fire.

I want the victims to know that this bill requires that they will compensated before insurance companies.

The intent is to encourage insurance companies to settle with their policyholders and then come to the government for compensation. That way, victims can get on with their lives as soon as possible, and insurance companies can get reimbursed through the claims process without the need to proceed under the cumbersome Federal Tort Claims Act.

For victims whose insurance will not cover the complete replacement cost of their property loss or their personal injury, insurance companies should cover all that is required under their policies, and the government will make up the difference.

Mr. President, I think that in this bill, we have developed a process which is fair, comprehensive, and efficient. Yet there will be some who believe, for whatever reasons, that they are not receiving what they are entitled from the government.

For those individuals, this bill preserves their right to sue under the Tort Claims Act or to protest the final claims decision of FEMA. I hope that there will be few, if any, such lawsuits, but I believe we must maintain the rights of individuals to proceed to court if they are unhappy with their claims award.

I think we have taken an excellent first step in proposing this claims legislation. There is no way one bill can address every issue which might arise in every circumstance. Many of the details will be determined by the Fire

Claims Office. I want my constituents to know that I will do all I can to monitor the process as it moves forward to ensure that New Mexicans are treated fairly and in accordance with the intent of this law.

All our citizens owe a tremendous gratitude to the workers at Los Alamos. We won the cold war because of their contributions. Today we enjoy our freedoms because of their dedication. We need their continued dedication to assure that those freedoms survive for our future generations. And they need our help to rebuild their lives and return to their vital missions.

I hope my colleagues will support the Cerro Grande Fire Assistance Act.

Citizens can choose not to take this claims approach provided for in this legislation, and they can go to the Federal courts under the Federal Tort Claims Act. If they do, they will get no compensation under this bill. That is their option.

If they choose the option provided under this bill and they go through it to get money for their damages—let's just take an item, such as a house which Senator BINGAMAN and I discussed. If there is a dispute as to the value of that house, and they are supposed to get the value for the replacement cost—if there is a dispute, this bill provides an opportunity to use arbitration.

We have limited attorney's fees in this bill to 10 percent. We don't think this is going to be a heavily litigated process. I repeat, if citizens want to make their claim under the Federal Tort Claims Act, this legislation does not preclude that, other than they have no right to claim anything under this bill.

We owe tremendous gratitude to the workers of Los Alamos. We won the cold war because of their efforts and their predecessors in the various activities and scientific niches at this laboratory which has been run admirably by the University of California.

Today, we enjoy some of our basic freedoms because in that cold war with the Soviet Union we had great people in this community and a couple of other communities, always staying ahead so people could be assured nuclear weapons would never be used against our people.

That laboratory is having some trouble besides the fire. When it all finishes, we will still stand in awe at the fantastic brain trust that is assembled in the mountains of northern New Mexico. We have a sister institution in California, obviously, and an engineering institution in Albuquerque called Sandia National Laboratories. They are three labs that are tied together by scientific prowess and a commitment to serve America in her needs.

The PRESIDING OFFICER. The junior Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I thank my colleague, Senator DOMENICI. I also want to state how much I have enjoyed working with him on this terrible subject. I think the ability of our offices to work together has been admirable. We have come up with a plan that moves the process forward and closer to some real relief for the people who were damaged by this incident.

Mr. President, this was a disaster. This was a catastrophe. Let me show three photos that make the case. This is a photo from space, from a very high altitude, that shows the fire while it was burning, with the smoke plume coming through northeastern New Mexico into Colorado, into Oklahoma, and into west Texas. The photo shows the magnitude of what was involved. This was clearly the largest forest fire we have ever had in our State of New Mexico since they have been keeping records. It is very unfortunate that it was started by a controlled burn to which the Park Service agreed. That clearly makes this the responsibility of the Federal Government. As a country, we need to step up and compensate people for their losses.

Let me show two other photos that make the case as to what was done. This is a photo of one of the houses in Los Alamos with a car out front. These people in Los Alamos were advised they needed to leave their homes, get in cars or on buses, and go down to Santa Fe to escape the danger. They did. This is what they came back to a couple of weeks later. Clearly, this is not the kind of a circumstance of which anyone can be proud.

Mr. DOMENICI. Will the Senator yield?

Mr. BINGAMAN. I yield.

Mr. DOMENICI. The Senator views this scene while driving down the streets?

Mr. BINGAMAN. I toured the community and the neighborhoods with James Lee Witt, the head of FEMA, and with our Governor, Governor Johnson. We saw the devastation.

Mr. DOMENICI. This is a chimney?

Mr. BINGAMAN. That is a chimney.

The people did not have time to even arrange to drive their cars out of town. Of course, all their personal belongings were in the houses. The damage was total. The loss was total for the families who were burned out.

Another photo makes the case, a photo of the rubble that was left at one of the sites. Here is a bicycle. I might add, the water lines in these houses were still running. As we drove up and down the street, we saw water spurting out of the water lines, but there would be no house. Clearly, the devastation was enormous.

The people of Los Alamos and Senator DOMENICI made this point, and it has been made many times: The people of Los Alamos were heroic in their response to this tragedy. They pulled together as a community. They helped each other. They worked together to get their community back up and running. The people of the entire State came together and rallied to help the people who were injured. This was a period, and we are still in it to some extent, a period where we have lots of fires going on in New Mexico. It was not just the people who were injured in the Cerro Grande fire who were requiring assistance. We had other fires in our State, including the Scott Able fire in southern New Mexico which was very devastating, the fire at Ruidoso, the Viveash fire near Pecos.

Our job now, and what Senator DOMENICI and I are trying to do in this legislation, is to put in place a mechanism so people can get as full a relief as possible. We recognize you are not ever in a position to compensate someone for all of this loss, but we want to compensate people as fully as the Government can. We also, of course, want to do so as quickly as possible.

The reason this legislation is important, I believe—and I think this was something which the administration officials, and Jack Lew with the Office of Management and Budget agreed with entirely—is that the time it takes to go through the Tort Claims Act is extensive. History has shown that in many cases it is not satisfactory, that process has not been satisfactory. It was our conclusion, and the conclusion supported by the administration, that we should do a separate bill which would set up a different procedure that, hopefully, would give better compensation to people, and do it much more quickly than is otherwise possible.

Senator DOMENICI pointed out we have gone to great lengths to not interfere with the right of people to pursue their remedies under current law, if they choose to do that. We have not changed the rules for that. We have not in any way impeded that. But people have to make a judgment after they consult with everyone involved—their attorneys if they have attorneys, or anyone else with whom they want to consult—make a judgment as to whether to use the remedy, the process we are setting up in this legislation, once this becomes law, or to use the process that is available to them under current law under the Tort Claims Act.

My own hope is that we have come up with a better alternative. That is my belief. That has certainly been our purpose. We hope people will see it that way and that this legislation will result in more full compensation, much more rapidly than would otherwise be possible, and that people will be able to get on with their lives because of that.

The legislation has many aspects to it, which I discussed in detail. Senator DOMENICI went into some of that. Let me just say, the main thrust of it is to compensate people for injuries they receive, for loss of property, compensate businesses for losses they incurred, compensate businesses and individuals, both, for financial losses that are directly traceable and attributable to this fire.

Clearly, we want this to be a fair process for those involved. At the same time, we are anxious that it be done in a responsible way, so once it is over with, we can have an accounting for

what compensation was provided and the justification for it. I think the American people will want that and should be entitled to that. I believe this will substantially improve the chances of folks getting fully compensated, as fully compensated as possible, as early as possible.

For that reason, I am pleased to join Senator DOMENICI in cosponsoring this legislation. I do think we have several steps, several hoops to jump through between now and when this becomes law. There will be opportunities for us to fine-tune this as we go forward. I hope we can do that, but I hope we can go forward very quickly. He indicated our desire to have it included in some appropriations legislation—the military construction appropriations bill—which is pending now. I hope very much that can happen, and I hope that bill can get to the President very quickly with this included and can become law.

Mr. President, on May 4, 2000, a decision by the National Park Service to conduct a prescribed burn in the Bandelier National Park changed the lives of Los Alamos residents forever. What started as a prescribed burn of approximately 1,000 acres, turned into a fire that roared for 18 days and in the end charred over 47,000 acres. Soon after the fire raged out of control, the National Park Service assumed responsibility for the damage caused by the fire.

While we need to take another look at the Park Service's policy concerning prescribed burns, we first need to take care of those that were injured by the Park Service's actions. There will be time for hearings and investigations. But first, there are people that must be clothed, homes that must be rebuilt, and businesses that must pay their bills. We need to make sure our children are settled again before the 2001 school year begins in 2 months. We need to clean up the debris and hazardous waste so families can think about rebuilding.

The Cerro Grande Fire Assistance Act that I am introducing with Senator DOMENICI today is what we believe represents the Government's responsibility to the citizens of Los Alamos and the surrounding pueblos.

The Cerro Grande fire didn't just burn 47,000 acres of national forest. This fire was so intense that it traveled several miles from the point of origin to the town of Los Alamos, New Mexico. When the fire roared up the canyons in Los Alamos, it completely destroyed 385 dwellings and seriously damaged another 17 dwellings. Over 60 homes were burned on 46th, 48th and Yucca Streets alone. Keep in mind that Los Alamos is not a large community and these numbers reflect a large majority of the residents in those areas. This chart shows what used to be single family homes on Arizona Avenue. It was one of the 50 homes destroyed along Arizona Avenue.

This second picture shows the damage done along Alabama Avenue. The fourplexes across the street were spared but many of the fourplexes along Alabama are no longer standing. Most of these fourplexes were built between 1949 and 1954 by the federal government for the first workers of the national laboratory. In the late 1960's the federal government sold these homes to the residents of Los Alamos. On May 4th, many of these homes were occupied by the original residents—individuals who are now retired from the lab and enjoying their golden years. Ten percent of the households destroyed belonged to senior citizens. One such couple showed up to a town meeting to show me all they had left of their former home—the wife had the burned door handle and the husband had the key in his pocket.

Other fourplexes that were destroyed were occupied by young families and the most recent generation of lab employees. 35% of the housing units destroyed were being rented and 92 of those tenants were without any form of insurance. Many of these people are now without a home for their young families. One of the couples I spoke with after the fire was a young couple expecting a child who lost their home and their adjoining rental unit. And I was recently informed that over 200 school children were burned out of their homes.

Driving through these neighborhoods that are now filled with blackened trees, melted swing sets and burned bicycles is a difficult thing to witness. This fire grew out of control so quickly, mostly because of the 60 mph winds that swirled through the controlled burn area, that most families had less than an hour to gather their belongings and evacuate the mesa. Many others didn't have even that much time. As you can see by the numerous burned cars, many families were unable to get both of their cars down the hill before the fire hit. In the end, 5% of the housing units in Los Alamos was destroyed by this fire.

Despite the personal tragedy many of them suffered, the residents of Los Alamos came together and helped one another and supported the efforts of the hundreds of firefighters who fought long and hard to control this monstrous blaze. Several Los Alamos restaurant owners returned to Los Alamos during the height of the fire and donated their inventory and services to cook up meals at the local Elks Lodge for the firefighters, police and National Guardsmen who were sent to this remote community. In addition, the outpouring of support from the nearby communities in setting up shelters and offering food and clothing was something I was proud to witness firsthand. This support also included the shelters and individuals who volunteered to take in the hundreds of animals that belonged to the over 20,000 residents evacuated from Los Alamos and White Rock.

The citizens of Los Alamos were heroic throughout this fire. Residents, like engineer Tony Tomei, were singlehandedly trying to help save their neighborhoods from spreading wildlife. Tomei used his garden hose to douse small spot fires and used a rake and shovel to extinguish burning debris. His all night efforts saved his own house and the house of one neighbor, much to the neighbor's surprise.

After returning from Los Alamos and viewing the extent of damage, I began work with Senator DOMENICI on legislation that would compensate the people of Los Alamos, the surrounding pueblos, and the national laboratory for the damages sustained. We have been working for over 3 weeks now with the Office of Budget and Management, the White House, and the citizens of New Mexico to come up with legislation that will provide those who suffered personal and/or financial injury the most expedient and thorough compensation possible. We have received input from a number of individuals who lost their homes, from business owners who were shut down for up to a week, from the Los Alamos County Council and the governors of the San Ildefonso and Santa Clara Pueblos. While no one can truly be made whole after such a devastating experience, the role of the federal government in this situation is to ensure that people are adequately compensated for the losses resulting from the fire. Senator DOMENICI and I worked to come up with legislation that would compensate New Mexicans as fully as possible, while still being something acceptable to the entire Congress.

Based on the numerous meetings we held with the people mentioned above, we have come up with categories of damages that are compensable, including: property losses, business losses and financial losses. The goal is to compensate individuals for losses that were not otherwise covered by insurance or any other third party contribution.

For example, compensable property losses will include such things as uninsured property losses. This should address the problem many individuals are facing after realizing that they were under insured for their homes or their personal property. The goal is this legislation is to provide individuals with the funds needed to repair or replace their real and personal property using ''replacement value'' as a determining factor. This means that individuals should receive the dollar amount needed to rebuild their homes using current construction methods and materials, in line with current zoning requirements, and without a deduction for depreciation. It also means that individuals should be provided with the funds necessary to allow them to replace their damaged personal property with property that provides them equal utility. Moreover, we realize that homeowners will need funds to cover the cost of stabilizing and restoring their land to a condition suitable for building after the debris is removed.

The legislation will also compensate public entities for the damage to the physical infrastructure in the community. The county and other governmental entities will be able to seek compensation for the cost of rebuilding community infrastructure damaged by the fire, such as power lines, roads and public parks.

Compensable business losses will include such things as damage to tangible business assets, lost profits, costs incurred as a result of suspending business for one week, wages paid to employees for days missed during the fire, and other business losses deemed appropriate by the Claims Office. This provision is intended to help business owners who were forced to evacuate Los Alamos for up to 5 days. For people like the local nursery owner, closing shop during Mothers' Day weekend and the short planting season in northern NM was devastating. While the residents of Los Alamos disappeared from the community, the fixed overhead costs of the small business owners did not disappear.

Compensable financial losses will include economic losses for expenses such as insurance deductibles, temporary living expenses, relocation expenses, debris removal costs, and emergency staffing expenses for our governmental entities. The intent is to assist victims in rebuilding and recovering incidental expenses that they would otherwise not have incurred, had it not been for the Cerro Grande Fire. This includes costs incurred by the claimant in proving his losses, including the cost of appraisals where necessary.

In addition, the pueblos will be eligible to seek compensation for the damage to the forest lands on the pueblo and the impact of the fire on their subsistence hunting, fishing, firewood, timbering, grazing and agricultural activities. Individual tribal members and wholly-owned tribal entities will be eligible to seek reimbursement through this claims process for quantifiable losses. This means that the BIA will not serve as a conduit for any settlement to an individual tribal member or a tribe.

This legislation also intends to provide resources for the remediation that will be necessary to prevent future disasters because of flooding and mudslides. While we have experienced an unusually dry summer in the Southwest, forecasters predict an earlier than usual monsoon season and efforts must be made to shore up the burned hillsides and 70 foot canyon walls. The remediation effort will have to be undertaken by several federal agencies, including the Department of interior, the Agriculture Department and other entities with experience in this regard.

In order to expedite an individual's recovery, we have designed an administrative claims process that will allow injured parties to seek compensation for the expenses that were incurred, and were not otherwise covered by a third party, as a result of the Cerro Grande fire. This legislation authorizes that claims process and establishes an Office of Cerro Grande Fire Claims which will be under the authority of the Director of FEMA. FEMA is directed to compensate the victims of the Cerro Grande fire for injuries resulting from the fire and to settle those claims in an expeditious manner. FEMA will be given authority to hire an independent claims manager or other experts in claims processing to oversee this large project. We feel that FEMA is the best federal agency to handle this responsibility as they are capable of the task and are familiar with the damages that are common in a disaster. I trust that the FEMA Director will assemble a team that the community of Los Alamos can have confidence in and that will strive to settle claims to the benefit of those injured.

The Director of FEMA has 45 days to design this claims process and promulgate regulations for the claims office to follow. The regulations should not be overly burdensome for the claimants and should provide an understandable and straight forward path to settlement. In the event that issues arise concerning a settlement amount, the claimant will be able to enter into binding arbitration to settle any disputes with the claims office. If a claimant would rather have the Director's decision reviewed by a judge, the claimant will be able to seek judicial review of the Director's decision in federal court. Claimants who believe they need legal assistance as they proceed through this process should know that attorneys' fees are provided for in this legislation, with a cap of 10%. And while we believe this administrative claims process is the most efficient and reliable route for those seeking compensation, we are leaving the option of a federal tort action open to this legislation.

Mr. President, there is nothing Senator DOMENICI or I can do to replace the personal items and sentimental possessions that were consumed by the Cerro Grande Fire. This federal compensation will do nothing to replace a coin collection collected over a lifetime or an heirloom inherited from a great-grandmother. However, the federal government has the responsibility to try and restore the lives of the people impacted by this horrible tragedy. The federal government started this mess and it is time the federal government started cleaning up this mess and fixing what was damaged.

Congress can start the recovery process by passing this legislation. I ask that my colleagues act quickly on this legislation as the season for rebuilding this community is a short season for this city that sits high above the valley. I thank my colleagues for their support and for their willingness to do the right thing in this very unique situation.

I yield the floor.

The PRESIDING OFFICER. The senior Senator from New Mexico.

Mr. DOMENICI. Mr. President, I once again thank Senator BINGAMAN.

Part of the time these discussions were taking place in New Mexico, I was not available to be there. As most people in New Mexico know, I have been there twice, but I missed one occasion when Senator BINGAMAN got to talk with the people. I thank him for that because he brought back a number of ideas. One of my staffers was present with him. Those ideas are incorporated in this legislation.

In particular, let me repeat that the bill covers ''loss of property,'' and it says what that means; ''business losses,'' and it says what that means; ''financial losses,'' and it says what that means. Then a ''summary of the claims process'' and a summary of the remedies and a summary of appeal rights.

The lead agency is going to be the Office of Cerro Grande Fire Claims within FEMA. James Lee Witt or his successor will oversee that office but has the discretionary authority to designate an independent claims manager to run the office, if he so desires.

We are not creating anything new, it will be FEMA. But if he wants an independent claims manager, he has the latitude and authority to do that. There will be a separate account for the victims of the Cerro Grande fire that will be separate from the disaster assistance fund. Also, all of the money appropriated will be designated as an emergency.

I want to thank the staff who worked on this legislation. In my office: Steve Bell, Denise Greenlaw Ramonas, Brian Benczkowski, James Fuller and Veronica Rodriguez. From Senator BINGAMAN's office, Trudy Vincent, Christine Landavazo, Sam Fowler and Bob Simon. I also want to thank Ann Bushmiller from the White House Counsel's office and Elizabeth Gore from the Office of Management and Budget. I ask unanimous consent that a letter from Jack Lew expressing the Administration's support be printed in the RECORD.

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

S. 2736

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 ''Cerro Grande Fire Assistance Act''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) on May 4, 2000, the National Park Service initiated a prescribed burn on Federal land at Bandelier National Monument in New Mexico during the peak of the fire season in the Southwest;

(2) on May 5, 2000, the prescribed burn, which became known as the ''Cerro Grande Prescribed Fire'', exceeded the containment capabilities of the National Park Service, was reclassified as a wildland burn, and spread to other Federal and non-Federal land, quickly becoming characterized as a wildfire;

(3) by May 7, 2000, the fire had grown in size and caused evacuations in and around

Los Alamos, New Mexico, including the Los Alamos National Laboratory, 1 of the leading national research laboratories in the United States and the birthplace of the atomic bomb;

(4) on May 13, 2000, the President issued a major disaster declaration for the counties of Bernalillo, Cibola, Los Alamos, McKinley, Mora, Rio Arriba, Sandoval, San Juan, San Miguel, Santa Fe, Taos, and Torrance, New Mexico;

(5) the fire resulted in the loss of Federal, State, local, tribal, and private property;

(6) the Secretary of the Interior and the National Park Service have assumed responsibility for the fire and subsequent losses of property; and

(7) the United States should compensate the victims of the Cerro Grande fire.

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

(1) to compensate victims of the fire at Cerro Grande, New Mexico, for injuries resulting from the fire; and

(2) to provide for the expeditious consideration and settlement of claims for those injuries.

SEC. 3. DEFINITIONS.

In this Act:

(1) CERRO GRANDE FIRE.—The term ''Cerro Grande fire'' means the fire resulting from the initiation by the National Park Service of a prescribed burn at Bandelier National Monument, New Mexico, on May 4, 2000.

(2) DIRECTOR.—The term ''Director'' means—

(A) the Director of the Federal Emergency Management Agency; or

(B) if a Manager is appointed under section 4(a)(3), the Manager.

(3) INJURED PERSON.—The term ''injured person'' means—

(A) an individual, regardless of the citizenship or alien status of the individual; or

(B) an Indian tribe, corporation, tribal corporation, partnership, company, association, county, township, city, State, school district, or other non-Federal entity (including a legal representative);

that suffered injury resulting from the Cerro Grande fire.

(4) INJURY.—The term ''injury'' has the same meaning as the term ''injury or loss of property, or personal injury or death'' as used in section 1346(b)(1) of title 28, United States Code.

(5) MANAGER.—The term ''Manager'' means an Independent Claims Manager appointed under section 4(a)(3).

(6) OFFICE.—The term ''Office'' means the Office of Cerro Grande Fire Claims established by section 4(a)(2).

SEC. 4. COMPENSATION FOR VICTIMS OF CERRO GRANDE FIRE.

(a) IN GENERAL.—

(1) COMPENSATION.—Each injured person shall be entitled to receive from the United States compensation for injury suffered by the injured person as a result of the Cerro Grande fire.

(2) OFFICE OF CERRO GRANDE FIRE CLAIMS.—

(A) IN GENERAL.—There is established within the Federal Emergency Management Agency an Office of Cerro Grande Fire Claims.

(B) PURPOSE.—The Office shall receive, process, and pay claims in accordance with this title.

(C) FUNDING.—The Office—

(i) shall be funded from funds made available to the Director under this title; and

(ii) may reimburse other Federal agencies for claims processing support and assistance.

(3) OPTION TO APPOINT INDEPENDENT CLAIMS MANAGER.—The Director may appoint an Independent Claims Manager to—

(A) head the Office; and

(B) assume the duties of the Director under this Act.

(b) SUBMISSION OF CLAIMS.—Not later than 2 years after the date on which regulations are first promulgated under subsection (f), an injured person may submit to the Director a written claim for 1 or more injuries suffered by the injured person in accordance with such requirements as the Director determines to be appropriate.

(c) INVESTIGATION OF CLAIMS.—

(1) IN GENERAL.—The Director shall, on behalf of the United States, investigate, consider, ascertain, adjust, determine, grant, deny, or settle any claim for money damages asserted under subsection (b).

(2) APPLICABILITY OF STATE LAW.—Except as otherwise provided in this Act, the laws of the State of New Mexico shall apply to the calculation of damages under subsection (d)(4).

(3) EXTENT OF DAMAGES.—Any payment under this Act—

(A) shall be limited to actual compensatory damages measured by injuries suffered; and

(B) shall not include—

(i) interest before settlement or payment of a claim; or

(ii) punitive damages.

(d) PAYMENT OF CLAIMS.—

(1) DETERMINATION AND PAYMENT OF AMOUNT.—

(A) IN GENERAL.—

(i) PAYMENT.—Not later than 180 days after the date on which a claim is submitted under this Act, the Director shall determine and fix the amount, if any, to be paid for the claim.

(ii) PRIORITY.—The Director, to the maximum extent practicable, shall pay subrogation claims submitted under this Act only after paying claims submitted by injured parties that are not insurance companies seeking payment as subrogees.

(B) PARAMETERS OF DETERMINATION.—In determining and settling a claim under this Act, the Director shall determine only—

(i) whether the claimant is an injured person;

(ii) whether the injury that is the subject of the claim resulted from the fire;

(iii) the amount, if any, to be allowed and paid under this Act; and

(iv) the person or persons entitled to receive the amount.

(C) INSURANCE AND OTHER BENEFITS.—

(i) IN GENERAL.—In determining the amount of, and paying, a claim under this Act, to prevent recovery by a claimant in excess of actual compensatory damages, the Director shall reduce the amount to be paid for the claim by an amount that is equal to the total of insurance benefits (excluding life insurance benefits) or other payments or settlements of any nature that were paid, or will be paid, with respect to the claim.

(ii) GOVERNMENT LOANS.—This subparagraph shall not apply to the receipt by a claimant of any government loan that is required to be repaid by the claimant.

(2) PARTIAL PAYMENT.—

(A) IN GENERAL.—At the request of a claimant, the Director may make 1 or more advance or partial payments before the final settlement of a claim, including final settlement on any portion or aspect of a claim that is determined to be severable.

(B) JUDICIAL DECISION.—If a claimant receives a partial payment on a claim under this Act, but further payment on the claim is subsequently denied by the Director, the claimant may—

(i) seek judicial review under subsection (i); and

(ii) keep any partial payment that the claimant received, unless the Director determines that the claimant—

(I) was not eligible to receive the compensation; or

(II) fraudulently procured the compensation.

(3) RIGHTS OF INSURER OR OTHER THIRD PARTY.—If an insurer or other third party pays any amount to a claimant to compensate for an injury described in subsection (a), the insurer or other third party shall be subrogated to any right that the claimant has to receive any payment under this Act or any other law.

(4) ALLOWABLE DAMAGES.—

(A) LOSS OF PROPERTY.—A claim that is paid for loss of property under this Act may include otherwise uncompensated damages resulting from the Cerro Grande fire for—

(i) an uninsured or underinsured property loss;

(ii) a decrease in the value of real property;

(iii) damage to physical infrastructure;

(iv) a cost resulting from lost tribal subsistence from hunting, fishing, firewood gathering, timbering, grazing, or agricultural activities conducted on land damaged by the Cerro Grande fire;

(v) a cost of reforestation or revegetation on tribal or non-Federal land, to the extent that the cost of reforestation or revegetation is not covered by any other Federal program; and

(vi) any other loss that the Director determines to be appropriate for inclusion as loss of property.

(B) BUSINESS LOSS.—A claim that is paid for injury under this Act may include damages resulting from the Cerro Grande fire for the following types of otherwise uncompensated business loss:

(i) Damage to tangible assets or inventory.

(ii) Business interruption losses.

(iii) Overhead costs.

(iv) Employee wages for work not performed.

(v) Any other loss that the Director determines to be appropriate for inclusion as business loss.

(C) FINANCIAL LOSS.—A claim that is paid for injury under this Act may include damages resulting from the Cerro Grande fire for the following types of otherwise uncompensated financial loss:

(i) Increased mortgage interest costs.

(ii) An insurance deductible.

(iii) A temporary living or relocation expense.

(iv) Lost wages or personal income.

(v) Emergency staffing expenses.

(vi) Debris removal and other cleanup costs.

(vii) Costs of reasonable efforts, as determined by the Director, to reduce the risk of wildfire, flood, or other natural disaster in the counties specified in section 2(a)(4), to risk levels prevailing in those counties before the Cerro Grande fire, that are incurred not later than the date that is 3 years after the date on which the regulations under subsection (f) are first promulgated.

(viii) A premium for flood insurance that is required to be paid on or before May 12, 2002, if, as a result of the Cerro Grande fire, a person that was not required to purchase flood insurance before the Cerro Grande fire is required to purchase flood insurance.

(ix) Any other loss that the Director determines to be appropriate for inclusion as financial loss.

(e) ACCEPTANCE OF AWARD.—The acceptance by a claimant of any payment under this Act, except an advance or partial payment made under subsection (d)(2), shall—

(1) be final and conclusive on the claimant, with respect to all claims arising out of or relating to the same subject matter; and

(2) constitute a complete release of all claims against the United States (including any agency or employee of the United

States) under chapter 171 of title 28, United States Code (commonly known as the ''Federal Tort Claims Act''), or any other Federal or State law, arising out of or relating to the same subject matter.

(f) REGULATIONS AND PUBLIC INFORMATION.—

(1) REGULATIONS.—Notwithstanding any other provision of law, not later than 45 days after the date of enactment of this Act, the Director shall promulgate and publish in the Federal Register interim final regulations for the processing and payment of claims under this Act.

(2) PUBLIC INFORMATION.—

(A) IN GENERAL.—At the time at which the Director promulgates regulations under paragraph (1), the Director shall publish, in newspapers of general circulation in the State of New Mexico, a clear, concise, and easily understandable explanation, in English and Spanish, of—

(i) the rights conferred under this Act; and

(ii) the procedural and other requirements of the regulations promulgated under paragraph (1).

(B) DISSEMINATION THROUGH OTHER MEDIA.—The Director shall disseminate the explanation published under subparagraph (A) through brochures, pamphlets, radio, television, and other media that the Director determines are likely to reach prospective claimants.

(g) CONSULTATION.—In administering this Act, the Director shall consult with the Secretary of the Interior, the Secretary of Energy, the Secretary of Agriculture, the Administrator of the Small Business Administration, other Federal agencies, and State, local, and tribal authorities, as determined to be necessary by the Director to—

(1) ensure the efficient administration of the claims process; and

(2) provide for local concerns.

(h) ELECTION OF REMEDY.—

(1) IN GENERAL.—An injured person may elect to seek compensation from the United States for 1 or more injuries resulting from the Cerro Grande fire by—

(A) submitting a claim under this Act;

(B) filing a claim or bringing a civil action under chapter 171 of title 28, United States Code; or

(C) bringing an authorized civil action under any other provision of law.

(2) EFFECT OF ELECTION.—An election by an injured person to seek compensation in any manner described in paragraph (1) shall be final and conclusive on the claimant with respect to all injuries resulting from the Cerro Grande fire that are suffered by the claimant.

(3) ARBITRATION.—

(A) IN GENERAL.—Not later than 45 days after the date of enactment of this Act, the Director shall establish by regulation procedures under which a dispute regarding a claim submitted under this Act may be settled by arbitration.

(B) ARBITRATION AS REMEDY.—On establishment of arbitration procedures under subparagraph (A), an injured person that submits a disputed claim under this Act may elect to settle the claim through arbitration.

(C) BINDING EFFECT.—An election by an injured person to settle a claim through arbitration under this paragraph shall—

(i) be binding; and

(ii) preclude any exercise by the injured person of the right to judicial review of a claim described in subsection (i).

(4) NO EFFECT ON ENTITLEMENTS.—Nothing in this Act affects any right of a claimant to file a claim for benefits under any Federal entitlement program.

(i) JUDICIAL REVIEW.—

(1) IN GENERAL.—Any claimant aggrieved by a final decision of the Director under this Act may, not later than 60 days after the date on which the decision is issued, bring a civil action in the United States District Court for the District of New Mexico, to modify or set aside the decision, in whole or in part.

(2) RECORD.—The court shall hear a civil action under paragraph (1) on the record made before the Director.

(3) STANDARD.—The decision of the Director incorporating the findings of the Director shall be upheld if the decision is supported by substantial evidence on the record considered as a whole.

(j) ATTORNEY'S AND AGENT'S FEES.—

(1) IN GENERAL.—No attorney or agent, acting alone or in combination with any other attorney or agent, shall charge, demand, receive, or collect, for services rendered in connection with a claim submitted under this Act, fees in excess of 10 percent of the amount of any payment on the claim.

(2) VIOLATION.—An attorney or agent who violates paragraph (1) shall be fined not more than $10,000.

(k) WAIVER OF REQUIREMENT FOR MATCHING FUNDS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a State or local project that is determined by the Director to be carried out in response to the Cerro Grande fire under any Federal program that applies to an area affected by the Cerro Grande fire shall not be subject to any requirement for State or local matching funds to pay the cost of the project under the Federal program.

(2) FEDERAL SHARE.—The Federal share of the costs of a project described in paragraph (1) shall be 100 percent.

(l) APPLICABILITY OF DEBT COLLECTION REQUIREMENTS.—Section 3716 of title 31, United States Code, shall not apply to any payment under this Act.

(m) INDIAN COMPENSATION.—Notwithstanding any other provision of law, in the case of an Indian tribe, a tribal entity, or a member of an Indian tribe that submits a claim under this Act—

(1) the Bureau of Indian Affairs shall have no authority over, or any trust obligation regarding, any aspect of the submission of, or any payment received for, the claim;

(2) the Indian tribe, tribal entity, or member of an Indian tribe shall be entitled to proceed under this Act in the same manner and to the same extent as any other injured person; and

(3) except with respect to land damaged by the Cerro Grande fire that is the subject of the claim, the Bureau of Indian Affairs shall have no responsibility to restore land damaged by the Cerro Grande fire.

(n) REPORT.—Not later than 1 year after the date of promulgation of regulations under subsection (f)(1), and annually thereafter, the Director shall submit to Congress a report that describes the claims submitted under this Act during the year preceding the date of submission of the report, including, for each claim—

(1) the amount claimed;

(2) a brief description of the nature of the claim; and

(3) the status or disposition of the claim, including the amount of any payment under this Act.

(o) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this Act.

SUMMARY OF CERRO GRANDE FIRE ASSISTANCE ACT OF 2000

Administrator: FEMA as lead agency, with authority to designate an independent claims manager.

Entities eligible for compensation: all individuals, Indian tribes, corporations, tribal corporations, partnerships, companies, associations, counties, townships, cities, State, school districts and any other non-federal entity that suffered injury resulting from the Cero Grande fire.

Types of compensable injuries: tracks the Federal Tort Claims Act: Injury, loss of property and personal injuries are compensable.

Damages for ''loss of property'' will include: uninsured or under-insured property loss, decrease in the value of real property, damage to physical infrastructure, loss of subsistence hunting, fishing, firewood, timbering, grazing and agricultural activities, and any other loss deemed appropriate as a ''loss of property.''

Damages for ''injury'' will include ''business losses'', such as: damage to tangible assets or inventory, business interruption losses, overhead costs, employee wages paid for work not performed as a result of the fire, and any other injury deemed appropriate for compensation as a ''business loss.''

Damages for ''injury will include ''financial losses'' such as: increased mortgage interest costs, insurance deductibles, the cost of flood insurance, temporary living or relocation expenses, emergency staffing expenses, debris removal and other clean-up costs, hazard mitigation and any other injury deemed appropriate for compensation as a ''financial loss.''

Process: FEMA Director required to promulgate interim final regulations within 45 days of enactment of the Act. Claims must be filed within two years of promulgation of the regulations, and adjudicated by FEMA within 180 days of filing. Once regulations are promulgated, Director must publish easy-to-understand explanation of the rights conferred by the law and a description of the claims process in English and Spanish in New Mexico newspapers and other media outlets.

Election of remedies: Party must at the outset elect either to proceed under Federal Tort Claims Act (FTCA) or legislative claims process. The election is binding on the claimant for all damages resulting from the Cerro Grande fire. Must release U.S. Government from lawsuit under FTCA as a condition of receiving a claims process award.

Appeal: If victim is dissatisfied with claims decision, may appeal to Federal District Court for the District of New Mexico or pursue binding arbitration. If elect binding arbitration, decision of the arbitor is final. If elect Federal Court, standard of review is that the decision of the Director stands if supported by substantial evidence on the record.

Insurance: Insurance companies allowed to proceed in same manner under the Act as all other claimants, but to the maximum extent practicable, insurance company subrogation claims must be paid after those of other injured persons. Awards received through claims process will be reduced by amounts of insurance payments already received.

Consultation: Director required to consult with Secretary of Energy, Secretary of Interior, Secretary of Agriculture, SBA, FEMA, other federal agencies, State, local and tribal officials to ensure the efficient administration of the process and provide an outlet for local concerns.

Attorney's fees: Limited to 10 percent of claims award. Attorneys who violate the rule fined $10,000.

Matching requirements: Waives State and local matching requirement for all Federal programs utilized in response to the fire.

Flood insurance: Government will reimburse homeowners for the cost of three years of Federal flood insurance premiums if their property was not in the flood plain prior to the fire and subsequently was included in the flood plain as a result of the fire.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, June 15, 2000.

Hon. PETE V. DOMENICI,
U.S. Senate,
Washington, DC.

DEAR SENATOR DOMENICI: As you know from our work together in recent weeks, the Administration shares with you the commitment to ensuring that all those affected by the fire that began at Bandelier National Monument are fully compensated for their losses. We are pleased that our work together in a constructive dialogue has resulted in legislation that will achieve this goal.

We are fully supportive of the Cerro Grande Fire Assistance Act, which will help fully, fairly, and quickly compensate those who have suffered losses as a result of this fire. We urge Congress to move promptly to pass this essential legislation.

Sincerely,

JACOB J. LEW,
Director.

By Mr. LUGAR (for himself and Mr. HARKIN)

S. 2737. A bill to amend the United States Grain Standards Act to extend the authority of the Secretary of Agriculture to collect fees, extend the authorization of appropriations, and improve the administration of that Act, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE GRAIN STANDARDS IMPROVEMENT ACT OF 2000

● Mr. LUGAR. Mr. President, today I rise to introduce the Grain Standards Improvement Act of 2000. I am pleased that the ranking minority member of the Senate Agriculture Committee, Senator HARKIN, has joined me as a cosponsor.

The United States Grain Standards Act was enacted in 1916 as a means of eliminating confusion resulting from the use of many different sets of grain standards applied by different grain inspection organizations operating without national coordination and supervision. Created by this Act and operating within the United States Department of Agriculture (USDA), the Federal Grain Inspection Service (FGIS) sets and administers official grain standards and conducts grain inspection services.

The Act authorizes FGIS to establish standards of ''kind, class, quality and condition for corn, wheat, rye, oats, barley, flax seed, sorghum, soybeans, mixed grain and such other grains as in the administrator's judgment the usages of the trade may warrant and permit.'' The FGIS administrator is authorized to develop standards or procedures for accurate weighing and weight certification and controls for grain shipped in interstate or foreign commerce. The Act also established certain performance requirements for grain inspection and weighing equipment. The certainty of these standards and the credibility and integrity of the inspection system has allowed our domestic and international markets to flourish as a result.

But improvements are necessary to keep up with the changing markets. The legislation that I am introducing today is based on legislation proposed by the Administration earlier this year. The Gain Standards Improvement Act of 2000 will reauthorize the collection of fees, the FGIS Advisory Committee, and funding for FGIS until September 30, 2005.

In order to keep up with advances in technology, FGIS needs flexibility in the way that commodity samples can be obtained. Grain marketing patterns, quality attributes, and quality testing methods are changing rapidly. New quality traits developed through biotechnology have increased the speed of change. This Act will provide flexibility needed by FGIS to continue to maintain an efficient sampling system.

In general, under current law, only one official federal inspection agency can operate within geographic boundaries. The 1993 amendments to the Grain Standards Act provided for a pilot program that allowed for more than one official inspection agency within a single geographic area at interior locations. These programs were successful in facilitating the marketing of grain without jeopardizing the integrity of the system. This bill will permanently authorize this policy.

This legislation is supported by the National Association of State Departments of Agriculture, the Association of American Warehouse Control Officials, the National Grain and Feed Association, the American Farm Bureau Federation, the National Farmers Union and other agricultural commodity organizations.

The credibility and integrity of the United States grain inspection must be maintained to allow U.S. producers to continue to feed the world through our marketing system. The Grain Standards Improvement Act of 2000 will help FGIS to continue these high standards and increase the economic efficiency of the U.S. grain marketing system.

Mr. President, I ask unanimous consent that the bill and a section-by-section summary be printed in the RECORD following my statement.

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

S. 2737

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 ''Grain Standards Improvement Act of 2000''.

SEC. 2. SAMPLING FOR EXPORT GRAIN.

Section 5(a)(1) of the United States Grain Standards Act (7 U.S.C. 77(a)(1)) is amended by striking ''(on the basis'' and all that follows through ''from the United States)''.

SEC. 3. GEOGRAPHIC BOUNDARIES FOR OFFICIAL AGENCIES.

(a) INSPECTION AUTHORITY.—Section 7(f)(2) of the United States Grain Standards Act (7 U.S.C. 79(f)(2)) is amended by striking ''conduct pilot programs to''.

(b) WEIGHING AUTHORITY.—Section 7A(i) of the United States Grain Standards Act (7 U.S.C. 79a(i)) is amended in the last sentence by striking ''conduct pilot programs to''.

SEC. 4. AUTHORIZATION TO COLLECT FEES.

(a) INSPECTION AND SUPERVISORY FEES.—Section 7(j)(4) of the United States Grain Standards Act (7 U.S.C. 79(j)(4)) is amended in the first sentence by striking ''2000'' and inserting ''2005''.

(b) WEIGHING AND SUPERVISORY FEES.—Section 7A(l)(3) of the United States Grain Standards Act (7 U.S.C. 79a(l)(3)) is amended in the first sentence by striking ''2000'' and inserting ''2005''.

SEC. 5. TESTING OF EQUIPMENT.

Section 7B(a) of the United States Grain Standards Act (7 U.S.C. 79b(a)) is amended in the first sentence by striking ''but at least annually and''.

SEC. 6. LIMITATION ON ADMINISTRATIVE AND SUPERVISORY COSTS.

Section 7D of the United States Grain Standards Act (7 U.S.C. 79d) is amended—

(1) by striking ''2000'' and inserting ''2005''; and

(2) by striking ''40 per centum'' and inserting ''30 percent''.

SEC. 7. LICENSES AND AUTHORIZATIONS.

Section 8(a)(3) of the United States Grain Standards Act (7 U.S.C. 84(a)(3)) is amended by inserting ''inspection, weighing,'' after ''laboratory testing,''.

SEC. 8. GRAIN ADDITIVES.

Section 13(e)(1) of the United States Grain Standards Act (7 U.S.C. 87b(e)(1)) is amended by inserting '', or prohibit disguising the quality of grain,'' after ''sound and pure grain''.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

Section 19 of the United States Grain Standards Act (7 U.S.C. 87h) is amended by striking ''2000'' and inserting ''2005''.

SEC. 10. ADVISORY COMMITTEE.

Section 21(e) of the United States Grain Standards Act (7 U.S.C. 87j(e)) is amended by striking ''2000'' and inserting ''2005''.

GRAIN STANDARDS IMPROVEMENT ACT OF 2000—SECTION-BY-SECTION SUMMARY

Section 1. Short title

This Act may be cited as the Grain Standards Improvement Act of 2000.

Section 2. Sampling for export grain

This section would provide FGIS with more flexibility in obtaining samples of export grain. Currently, samples of export grain can only be obtained after final elevation of the grain. Historically, this has been a requirement due to the breakage that can occur as the grain goes through an export elevator. In many cases, this sampling procedure is still appropriate. However, for value enhanced traits (e.g. protein) that are not affected by handling, sampling and testing prior to final elevation may be more appropriate. Often it is not a simple process to perform these tests in a field environment. Grain marketing patterns, quality attributes, and quality testing methods are changing rapidly. These changes are being expedited by quality traits developed through biotechnology and new testing methods. In response to these breakthroughs, new grain marketing programs are evolving that require measurement of additional, more complex quality attributes. Also, in order to maintain an efficient and effective marketing system in the United States, grain merchants are relying more on identity preserved programs to assure acceptable quality with limited testing. These merchants may need quality results on identity preserved grain prior to final elevation. Flexibility in obtaining samples would not jeopardize the representatives of the samples obtained for inspection.

Section 3. Geographic boundaries for official agencies

This section would allow, under certain conditions, more than one official agency to

perform inspection and weighing services within a single geographic area at interior locations. The 1993 amendments provided for pilot programs to test such a change. These programs were successful in that they facilitated the marketing of grain without jeopardizing integrity of the system. This section will give the Secretary the authority to develop criteria similar to the current pilot programs.

Section 4. Authorization to collect fees

This section would extend, through fiscal year 2005, the authority of the Secretary to charge user fees assessed for the supervision of official agencies and to invest sums collected.

Section 5. Testing of equipment

This section would eliminate the requirement for mandatory annual testing for all equipment used in sampling, grading, inspection, and weighing. Annual testing is not necessary or appropriate for such equipment.

Section 6. Limitation on administration and supervisory costs

This section would provide that the administration and supervisory costs for services, performed through fiscal year 2005, would be subject to the ceiling of 30 percent of total costs for such services (excluding the costs of standardization, compliance, and foreign monitoring activities).

Section 7. Licenses and authorizations

This section would allow the Secretary to contract for inspection and weighing services in addition to specified sampling and technical functions. This allows the Secretary greater flexibility in performing the duties required by the Act.

Section 8. Grain additives

This section would prohibit disguising the quality of the grain as a result of the introduction of nongrain substances and other identified grains. The prohibition would include the introduction of nongrain substances such as cinnamon, vanilla, and bleach, and could apply to all grain whether officially inspected or not. This prohibition will enhance the integrity of the national grain marketing system.

Section 9. Authorization of appropriations

The section would extend, through fiscal year 2005, the authorization for appropriations to cover standardization, compliance, foreign monitoring activities and any other expenses necessary to carry out the provisions of the Act which are not obtained from fees and sales of samples.

Section 10. Advisory committee

This section would maintain an advisory committee through fiscal year 2005. This committee represents the industry and advises the Secretary in administering the Act.●

By Mr. JEFFORDS (for himself, Mr. FRIST, and Mr. ENZI):

S. 2738. A bill to amend the Public Health Service Act to reduce medical mistakes and medication-related errors; to the Committee on Health, Education, Labor, and Pensions.

THE PATIENT SAFETY AND ERRORS REDUCTION ACT

Mr. JEFFORDS. Mr. President, I am pleased to join today with my good friend Senator FRIST to announce the introduction of the Patient Safety and Errors Reduction Act, a bill which will work toward increasing patient safety for all Americans.

Late last year, the Institute of Medicine (IOM) released a report citing medical errors as the eighth leading cause of death in the United States, with as many as 98,000 people dying as a result each year. More people die of medical mistakes than from motor vehicle accidents, AIDS, or breast cancer. The IOM report took a serious look at the problem of medical errors and provided some thoughtful recommendations for change.

Last year I worked closely with Senator FRIST to ensure that Congress pass Senate Bill 580, the Healthcare Research and Quality Act of 1999. This newly passed legislation reauthorized by the Agency for Health Care Policy and Research, renamed it the Agency for Healthcare Research and Quality (AHRQ), and refocused its mission to support healthcare research on safety and quality improvement. I am pleased that AHRQ has decided to dedicate more than $20 million for research on medical error reduction. This shows a real commitment by Dr. John Eisenberg and his agency to address the problem of medical errors.

Our bill will attack this problem in several ways. First, it will provide a framework of support for the numerous efforts that are already underway in the public and the private sectors. Second, it will establish a Center for Quality Improvement and Patient Safety within the Agency for Healthcare Research and Quality. And finally, it will provide needed confidentiality protections for medical error reporting systems.

I believe we can save thousands of lives by substantially reducing medical mistakes over the next few years. We have a great opportunity to apply the safety lessons that we have already learned—both within health care and in other fields.

How can we prevent these mistakes? One lesson we have learned that was repeated time and again in our hearings is that mandatory reporting of all errors and subsequent punishment of healthcare professionals doesn't work very well.

Even good doctors and nurses make mistakes during the most routine of tasks. Clearly, the root cause of medical errors is more systemic. Medicine has some of the most advanced technology for treating patients and some of the most rudimentary systems for ensuring quality. Taking a look at the systems that ensure patient safety will go farther in addressing the problem of medical errors rather than reprimanding any one individual or group.

Over the past few decades we have seen one industry after another adopt the principles of continuous quality improvement. The government itself has instituted these principles, notably in its regulation of aviation. Focusing on punishment will only deter improvement.

Having said that, we are not interested in sweeping problems under the rug, but bringing them out into the open. And if an individual is harmed, this bill in no way limits the legal recourse that patients have now. The confidentiality protections are just for information that is submitted under quality improvement and medical error reporting systems. Patients and their lawyers will still have access to the entire medical record just like they do now.

Our bill also creates a new center for patient safety through AHRQ as the IOM report recommended. This Center will collect information on medical errors and serve as a center to develop strategies to reduce them. It is likely that additional funding beyond the $20 million recommended by the President will be needed for AHRQ's new role overseeing this center for patient safety.

We also need to allow for confidentiality—through peer review protections—for information that is voluntarily submitted regarding medical errors. This legislation provides for these protections.

Once the information is collected and analyzed, either through AHRQ or another deemed institution, such as the Vermont Program for Quality in Health Care, recommendations on ways to prevent errors need to be developed and disseminated throughout the health care industry.

It is my hope that these recommendations will continue to be incorporated into survey instruments by organizations such as the Joint Commission on Accreditation of Healthcare Organizations, the accrediting body responsible for hospitals and other inpatient healthcare settings. In this way, the health care industry can engage in the kind of continuous quality improvement that is vital to curbing errors and saving lives. But a medical errors program will only succeed if hospitals, doctors and other health professionals support it and participate in it willingly.

Neither the IOM nor Congress discovered this problem. Health care professionals have been at work for some time in trying to address medical errors. I hope that by becoming a partner in this process, the federal government can accelerate the pace of reform and provide the most effective structure possible.

I am pleased that our legislation has the support of many, including the United States Pharmacopeia, the American Hospital Association, the American Health Quality Association, the American College of Physicians/American Society of Internal Medicine, the American Psychological Association, and the Institute for Safe Medication Practices.

Mr. President, we cannot afford to wait on this issue. This legislation will raise the quality of health care delivered by decreasing medical errors and increasing patient safety and I will work to ensure its enactment this year.

By Mr. LAUTENBERG (for himself, Mr. HELMS, Mr. MOYNIHAN,

Mr. ROTH, Mr. THURMOND, and Mr. WARNER):

S. 2739. A bill to amend title 39, United States Code, to provide for the issuance of a semipostal stamp in order to afford the public a convenient way to contribute to funding for the establishment of the World War II Memorial; to the Committee on Governmental Affairs.

SEMIPOSTAL STAMP FOR THE ESTABLISHMENT OF THE WORLD WAR II MEMORIAL

Mr. LAUTENBERG. Mr. President, I rise today to introduce S. 2749, the World War II Memorial Postage Stamp Act. The purpose of this bill is to raise funds for the construction of the National World War II Memorial by issuing a special World War II Memorial ''semipostal'' stamp.

Mr. President, many events have shaped world history, but none so dramatically or so deeply as the Second World War. The war permanently altered lives, communities, and nations, at the same time speeding America's rise as a superpower.

The National World War II Memorial will honor the 16 million Americans who served in uniform during the war, the more than 400,000 who gave their lives, and the millions more who supported the war effort at home. A symbol of the defining event of 20th-century America, the Memorial will honor the spirit, sacrifice, and commitment of the American people as well as the cause of freedoom from tyranny throughout the world.

To date, the World War II Memorial Fund, chaired by Bob Dole, has raised approximately $92 million. Issuing a World War II Memorial Stamp could raise millions more, helping the World War Memorial Fund reach its goal of $100 million needed to construct and maintain the Memorial. Furthermore, a new stamp would give every American the chance to play a part in building this monument to those who served our Nation.

Mr. President, I served this great country as a member of the Armed Forces during World War II, and I know firsthand the sacrifices made by our Nation's veterans. It is my sincere hope that, thanks to this bill, the National World War II Memorial will be a lasting symbol of American unity—and a timeless reminder of the moral strength that joins the citizens of this country.

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

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

S. 2739

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

SECTION 1. SEMIPOSTAL STAMP FOR THE ESTABLISHMENT OF THE WORLD WAR II MEMORIAL.

(a) IN GENERAL.—Chapter 4 of title 39, United States Code, is amended by inserting after section 414 the following:

''§ 414a. Special postage stamp for the establishment of the World War II Memorial

''(a) In order to afford the public a convenient way to contribute to funding for the establishment of the World War II Memorial, the Postal Service shall establish a special rate of postage for first-class mail under this section.

''(b) The rate of postage established under this section—

''(1) shall be equal to the regular first-class rate of postage, plus a differential of not to exceed 25 percent;

''(2) shall be set by the Governors in accordance with such procedures as the Governors shall by regulation prescribe (in lieu of the procedures under chapter 36); and

''(3) shall be offered as an alternative to the regular first-class rate of postage.

The use of the special rate of postage established under this section shall be voluntary on the part of postal patrons.

''(c)(1) Amounts becoming available for the establishment of the World War II Memorial under this section shall be paid to the American Battle Monuments Commission. Payments under this section shall be made under such arrangements as the Postal Service shall by mutual agreement with the American Battle Monuments Commission establish in order to carry out the purposes of this section, except that, under those arrangements, payments to such Commission shall be made at least twice a year.

''(2) For purposes of this section, the term 'amounts becoming available for the establishment of the World War II Memorial under this section' means—

''(A) the total amounts received by the Postal Service that it would not have received but for the enactment of this section, reduced by

''(B) an amount sufficient to cover reasonable costs incurred by the Postal Service in carrying out this section, including those attributable to the printing, sale, and distribution of stamps under this section,

as determined by the Postal Service under regulations that it shall prescribe.

''(d) It is the sense of the Congress that nothing in this section should—

''(1) directly or indirectly cause a net decrease in total Federal funding received by the American Battle Monuments Commission below the level that would otherwise have been received but for the enactment of this section; or

''(2) affect regular first-class rates of postage or any other regular rates of postage.

''(e) Special postage stamps under this section shall be made available to the public beginning on such date as the Postal Service shall by regulation prescribe, but in no event later than 90 days after the date of the enactment of this section or, if earlier, November 11, 2000 (Veterans Day).

''(f) The Postmaster General shall include in each report rendered under section 2402 with respect to any period during any portion of which this section is in effect information concerning the operation of this section, except that, at a minimum, each shall include—

''(1) the total amount described in subsection (c)(2)(A) which was received by the Postal Service during the period covered by such report; and

''(2) of the amount under paragraph (1), how much (in the aggregate and by category) was required for the purposes described in subsection (c)(2)(B).

''(g) This section shall cease to be effective upon the determination of the Postmaster General (in consultation with the American Battle Monuments Commission) that the Commission has or will have the funds necessary to pay all expenses of the establishment of the World War II Memorial. Any excess funds shall be deposited in the fund within the Treasury of the United States created by section 2113 of title 36 and may be used for any of the purposes allowable under such section.

''(h) As used in this section, the term 'World War II Memorial' refers to the memorial the construction of which is authorized by Public Law 103–32.''.

(b) CONFORMING AMENDMENTS.—(1) The analysis for chapter 4 of title 39, United States Code, is amended by striking the item relating to section 414 and inserting the following:

''414. Special postage stamps to benefit breast cancer research.
''414a. Special postage stamps for the establishment of the World War II Memorial.''.

(2) The heading for section 414 of title 39, United States Code, is amended to read as follows:

''§ 414. Special postage stamps to benefit breast cancer research''.

By Ms. LANDRIEU:

S. 2740. A bill to provide for the establishment of Individual Development Accounts (IDAs) that will allow individuals and families with limited means an opportunity to accumulate assets, to access education, to own their own homes and businesses, and ultimately to achieve economic self-sufficiency, and to increase the limit on deductible IRA contributions, and for other purposes; to the Committee on Finance.

THE SAVINGS ACCOUNTS ARE VALUABLE FOR EVERYONE ACT OF 2000

Ms. LANDRIEU. Mr. President, I want to speak for a few moments this morning and introduce a bill that I am calling the Savings Are Valuable for Everyone Act, the SAVE Act of 2000.

Mr. President, as of February 1, 2000, the United States officially entered into the longest period of economic expansion in our history. This means we have had nine years of continuous growth—a hard-earned achievement. During this time, we have had the first back-to-back federal budget surpluses in 43 years, the smallest welfare rolls in 30 years, and 20 million new jobs for people across America.

Clearly we are doing something right. However, that does not mean our work is done. In order for this economic prosperity to reach its full potential, we must continue to provide more opportunities (not guarantees) to widen the ''winners' circle'' and allow all Americans to participate in our economic expansion.

According to the U.S. Department of Labor, the latest unemployment figures show that most Americans do have jobs. The unemployment average is 4.1 percent and many states have even lower rates, such as Iowa with 2.5 percent, New Hampshire with 2.7 percent, and Virginia with 2.8 percent. In some places across the country, there are some even higher spots, such as Howard County, Maryland, where the unemployment rate is a remarkable 1.4 percent. However, because of the high cost of living, many working families

still struggle to make ends meet and are being forced to live from paycheck to paycheck, without any hope of saving for the future or building the tangible assets which are so important to upward mobility.

I recently finished reading the book, ''The Millionaire Next Door,'' and discovered that when the authors of this book began interviewing millionaires as part of their research, they were surprised to find most of the wealthy people they spoke with didn't drive fancy sports cars, or have $5,000 gold watches or even live in fabulous mansions. They were first-generation business people who, through aggressive saving, sensible investing and frugal spending, had managed to accumulate a significant amount of assets.

While not everyone's goal in life is to become a millionaire, this book does carefully outline the road to fiscal security and clearly documents the importance of saving.

I know that you will be as shocked as I was to learn that, while the net worth of the typical American family has increased dramatically recently, the net worth of families under $25,000 has actually been decreasing. The Federal Reserve Board recently released a study which showed that families earning under $10,000 a year had a medium net worth of $1,900 in 1989. This figure rose to $4,800 in 1995 but slipped to $3,600 by 1998. The net worth of families who earn less than $25,000 annually was $31,000 in 1995 but then dropped to $24,800 in 1998.

During this same time period, while the number of families who owned a home or business rose overall, this figure among lower income families has actually decreased. In 1995, 36.1 percent of families who earned less than $10,000 a year owned a home, however by 1998 this number had decreased to 34.5 percent. In 1995, 54.9 percent of families who earn less than $25,000 annually owned their home but in 1998 this percentage was reduced to 51.7 percent.

Mr. President, I rise today to address this problem by introducing the Savings Are Valuable for Everyone Act of 2000, or SAVE, which will help all families save for the future. The goal of SAVE is simple: help the working poor build assets for themselves and to expand the IRA limit to ensure retirement savings. The goal is not income redistribution, but instead it is to find ways that allow opportunities for everyone, regardless of income, to build the productive assets that lead to economic security.

In order to help the working poor break the discouraging cycle of living from paycheck to paycheck and to help the lower-middle class move up the income ladder and save for the future, this measure provides incentives for the accumulation of assets through the use of Individual Development Accounts, or IDAs, while, at the same time, making it easier for the rest of America to save for retirement.

IDAs are matched savings accounts which are restricted to three uses: (1) post-secondary education/training; (2) small business start-up costs; and (3) purchasing a first home. Private as well as state and local public sector funds can also be contributed to the account with a special tax credit of up to $500 a year attached to the private contribution. Usually it takes two to four years for the account holder to accumulate enough funds to purchase the asset they were saving for and, before the money is released, they must complete an approved financial education course which is provided by the qualified financial institution or non-profit which holds the account.

All IDAs must be held at a ''qualified financial institutions,'' meaning, any financial institution qualified to hold an IRA. IDAs are available to all citizens or legal residents of the United States who are at least 18 years old and whose household income does not exceed 80 percent of the area median income, or AMI. At least 33 percent of the IDAs will be targeted to households which are at 50 percent or below the AMI. Contributions made by a participant into an IDA are limited to $2,000 per year. While the individuals who open these accounts are encouraged to use the money for their own benefit, they may withdraw it to help a spouse or dependent open a business, buy a house, or further their education.

For example, one such program was started in March of 1999, by Hibernia Bank Louisiana. They began pilot IDA programs in New Orleans, with another one operating in Shreveport, to help low-income families save for a house. So far, 11 families are participating in the New Orleans program, with seven already placed in homes of their own and four shopping for one.

The program administrator said these 11 families ''absolutely would not be in a position to buy a home at this time'' without this program. Hibernia matches the account holders funds two-to-one up to a set amount. The funds then can be used for home-buying costs, such as a down payment or closing costs—lump sums that often can be prohibitive to working families on a tight budget.

In order to encourage the establishment of IDAs, two tax credits are offered. The first is available to participating financial institutions. For every dollar saved in an IDA, the qualified financial institution will provide a one to one match, limited to $500 per person per year. The financial institution would then be eligible for a 90 percent federal tax credit for matching funds provided.

The second tax credit is known as the IDA Investment Tax Credit. In order to leverage private sector investments and encourage broader community involvement in this program, a 50 percent tax credit will be available for investments in qualified non-profits, 501(c)(3)s or credit unions, which can administer qualified IDA programs. However, in order qualify for this tax credit, at least 70 percent of the funds received must be used for financial education, program monitoring, and/or program administration. Any taxpayer can participate can participate as a donor.

It is important to remember that each IDA consists of two parallel accounts—one that the participants make his deposits into and one that the donor makes their deposits of matching funds into. The interest on the money in the participant's account would be taxed while all funds in the matching account (including interest) would be tax free. One could say that the participant's account is treated in a similar fashion to the way that the IRS treats IRAs and 401(k)s.

Already an estimated 3,000 people nationwide are taking advantage of available pilot programs, which are run in partnership with more than 100 nonprofit organizations and authorized financial institutions. This fact shows the strength of this plan: it serves as a catalyst for the rapid creation of public-private partnerships—between accountholders, banks, foundations, policymakers and providers of financial education—that are the hallmark of successful IDA programs.

As you can see, IDAs are not only good for individuals and their families, they also are good for the future of our country. Russell Long once said, ''The problem with Capitalism is that there are not enough Capitalists.'' IDAs provide a tool with which our country can address this age-old problem and help create more Capitalists. When capitalism is combined with the proper social safety nets and incentives for asset development for those at all income levels, we create incentives for saving at all levels while you create a capitalist system that works for everybody. These accounts are a sure-fire mechanism that will build assets and create wealth among the families and communities who need help the most.

Economic analyses of the impact of a national IDA investment show that for every dollar invested, a $5 return to the national economy would result in the form of new businesses, new jobs, increased earnings, higher tax receipts and reduced welfare expenditures. However, it is important to realize that the Savings Accounts Are Valuable for Everyone Act does not simply focus on the working poor. It also provides savings incentives for the middle class by expanding the current Individual Retirement Account limits from $2,000 a year to $3,500.

Currently, our tax code allows individuals to save up to $2,000 a year in IRAs with income earned on the deposits either being tax deferred until withdrawal, which can begin at age 59½, or, through the use of the Roth IRA, the taxes can be paid up front on the money deposited into the accounts. SAVE will make these accounts an even better tool for retirement saving by expanding the annual contribution limits.

I firmly believe that we must find ways to shift our nation's policy from

one of consumption to one of savings and wealth accumulation for all American households. To understand why, one need only consider these facts which were calculated by the Corporation for Enterprise Development in Washington, D.C.:

One-half of all American households have less than $1,000 in net financial assets;

One-third of all American households and 60 percent of African-American households have zero or negative net financial assets;

Forty percent of all white children and 73 percent of all black children grow up in households with zero or negative financial assets;

By some estimates, 13–20 percent of all American households do not even have a checking or savings account; and

Ten percent of all American households control two-thirds of the wealth.

We already have a tax code that provides over $300 billion in federal tax expenditures which are dedicated to asset building for middle- and upper-income wage earners and businesses, but tax-based incentives are still out of reach for most lower- and middle-income families. In this time of wealth and prosperity, why can't we offer tools that will assist in asset building for the families who need them the most—the working poor and moderate-income families who make up the backbone of our economic system.

Benjamin Franklin once said, ''The wealth of an individual is measured not by what a person earns but by what he saves.''

Take the example of Oseola McCarty of Mississippi. Oseola toiled in obscurity for most of her life, taking in other people's laundry for $2 a bundle and amassing a small fortune by socking away every extra cent in a savings account. At the age of 87, she donated $150,000 of her life savings to the University of Southern Mississippi, establishing a scholarship fund to give African-American youths a chance for the education she never received.

What Oseola accomplished is a great example of the power of savings. Savings, investing and assets—not necessarily income—determine wealth. Just think what Oseola could have accomplished, not only for herself but for others, with the benefit of a program like IDAs to add matching funds and additional interest to her hard-earned savings.

IDAs are partnerships between the government, the community and the individual to build stronger families and a stronger economy. For not only do Americans improve their economic security through the building of assets, this also stimulates the development of capital for the entire nation. As our nation continues to build on our recent economic successes, we in Congress must continue to look for innovative ways to give working families the tools they need to plan for the future. Passage of the Savings Accounts are Valuable for Everyone Act is one way we can do this.

Mr. President, to summarize my comments, I will share a story about what this act, if passed and adopted, will do. There is a family in Washington, the Darden family. Selena and Dwayne Darden thought they were doing the best they could do. They were both working, earning about 150 percent of the poverty rate. They had four children and were doing a very good job of raising their children, but basically living paycheck to paycheck. They never thought they could save for the future or, for that matter, own a home. There just wasn't anything extra.

Then just about 2 years ago, according to this article, Selena, who is a beautician, heard about something called Individual Development Accounts, a program that was offered here in Washington with the Capital Area Asset Building Corporation. They inquired and were told basically that this was a pilot program that Congress had established a few years earlier that would allow her and her husband to put up some savings, which would be matched by the Federal Government through an appropriate financial institution and a community agency that would provide some education and support for the effort. If she was a consistent and good saver, she and her husband could save enough for a downpayment. The end of the story is that they did; they saved enough. They are now proud homeowners right here in Marshall Heights.

I share that story because that is exactly what this bill does. In my State, in the last few years, I have come to learn about these pilot programs that we initiated through the work of Senator Coats, and Senator SANTORUM has been on this issue for some time, and Senator LIEBERMAN has been advocating this proposal. I want to add my voice by introducing this bill to say how much I support this effort, and to take these pilot programs that have been successful and expand them nationwide.

In Louisiana, I have come across many families from New Orleans to Shreveport, and elsewhere, who are coming into partnership with the Hibernia Bank and community action organizations, such as the Providence House in Louisiana, that help families get back on their feet when they go through a crisis. The idea is to help create these accounts. People can begin saving money.

The bill allows for them to either use the funds for home ownership, because we know how important that is, or building a person's confidence and self-esteem—how important it is for children to live in a home that actually belongs to them, as opposed to renting and perhaps having to move, and to be able to put down roots. We know how important that is.

This bill will allow people to save to start up a business. We spend a lot of time in Washington talking about business. Sometimes I think we focus on businesses that are actually quite large, which is wonderful; but we need to focus on the great strength of America, which is small business—that entrepreneur out there who takes a risk to start a business. He employs himself and one, two, or three other people. That is the backbone of the American economy and the great system we have enjoyed. We are really the envy of the world. This bill will allow for people to save a few thousand dollars to start a successful business and employ members of their family, or friends, or other workers in their area.

I am hoping we can potentially consider, as this bill moves through the process, that it may allow savings for a transportation vehicle. If you can get a good job, sometimes the jobs are not necessarily where people live. Mass transit is not as dependable as it should be. Perhaps we should consider this matched savings plan to give people the ability to get a vehicle and to be able to drive to work. Some of these pilots allow that.

This bill will allow for these savings accounts. It is limited to households of 80 percent of the median income, based on regions, and 150 percent of the national poverty rate. While that might work for Louisiana, it doesn't work very well for poor families in Connecticut or California, where the standard of living is high.

We have designed this bill to reach to the low-income working poor. But we are sensitive to the different regions in this Nation. We believe if we can help people accumulate assets and encourage them to save, that not only is it good for individual families but it is good for our Nation to encourage savings rates.

Let me share a few statistics about this which are of very great concern to me and of which I would like my colleagues to be more aware.

According to a recent report by the Corporation for Enterprise Development in Washington, DC, one-half of all American households have less than $1,000 in financial assets; one-third of all American households and 60 percent of African American households have zero, or negative financial assets; 40 percent of all white children and 73 percent of all African American children grow up in households with zero or negative financial assets; by some estimates, 13 to 20 percent of all American households do not have a checking or a savings account; and 10 percent of all American households control currently two-thirds of the wealth.

If we want to address an income gap, if we want to try to increase prosperity, if we want to try to eliminate poverty, I suggest that our efforts have to be more than just income, more than just about full employment or a job. It is about income, frugal spending, and aggressive savings. And we

should be partnering with the American people to do just that, to encourage wealth and assets creation and development.

Not everyone wants to be a millionaire. Some people are better at that than others. But I don't know of a family that doesn't want to have financial security—not one. Whether they work at a relatively modest job from 9 to 5, or whether they work two jobs, or three, or whether they are quite aggressive and well educated enough to make large sums of money, in every case I think it is about security. It is about choices. But I don't know any family that doesn't want to be secure. We can be better partners in this Government by encouraging policies such as this that enable people to be part of that American dream, to widen the winners circle, because we have the greatest economic expansion underway and there is a cost-effective way to do it.

Let me just make a couple of other points as I close.

According to some documents that are supporting this policy, let me read for the RECORD a couple of things:

No. 1, assets matter and have largely been ignored in poverty policy debates.

No. 2, individual development accounts address the wealth gap and bring people into the financial mainstream.

No. 3, public policy plays a large role in determining levels of household wealth.

People say, We can't afford to do this. They ask, Why would we want to do this for a certain group of people, low- and moderate-income people? One reason is we already do it to the tune of $300 billion for middle-income and wealthy individuals and businesses. It is called tax incentives. All throughout our Tax Code and public policy, we are already putting up $300 billion to help create and maintain assets for the wealthy and for businesses. Let's do the same for the working poor and lower and middle class so they can be more able to join this extraordinary economic expansion. We do that through IRAs and 401(k)s and IDAs, which are good national investments and they improve the national savings rate.

In conclusion, let me say that this SAVE Act will expand IDA. It also raises the income limits for IRAs for all families in America to encourage them to save. By expanding the opportunities for IRAs, which many of us have supported in a bipartisan way, and by implementing IDAs from pilots to a national model, I believe we could go a long way in eliminating poverty, expanding the middle class, and expanding and widening the winners circle in this great economic expansion.

I share this with my colleagues. I thank again Senator LIEBERMAN for his great work. Senator SANTORUM has also been leading this effort. Senator Dan Coats, who is no longer serving with us, I understand was one of the original sponsors of this pilot program. It is now time. We know it works to take it national. That is what we do with this bill.

I yield whatever time I may have.

Mr. President, I ask unanimous consent to insert additional material into the RECORD.

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

IDAS: FEDERAL POLICY

The benefits and rationale for enacting federal IDA policy can be summarized in five parts:

1. *Assets matter, and have been largely ignored in poverty policy.* Assets provide an economic cushion and enable people to make investments in their futures in a way that income alone cannot provide. IDAs address a big piece of the poverty puzzle—the savings and asset base of the poor—that has never been addressed before.

2. *IDAs address the wealth gap and bring people into the financial mainstream.* Despite the growing trend of average Americans investing in stocks and mutual funds, many are being left behind. One-third of all American households have zero or negative net financial assets, and up to 20 percent of all households do not even have a checking or savings account.

3. *Public policy plays a large role in determining levels of household wealth.*—Nearly $300 billion in federal tax expenditures are dedicated to asset building for middle- and upper-income people (for home ownership, retirement, and investing). But public policies often penalize low-income people or put tax-based asset incentives out of their reach.

4. *Individual asset accounts (like IDAs) are the future of asset building.* Increasingly, asset accounts such as IRA's, 401(k)s, medical savings accounts, individual training accounts and other individual savings incentives are the emerging tools for wealth-building policy in the new global, flexible economy. IDAs are an inclusive extension of this policy trend.

5. *IDAs are a good national investment and improve the national savings rate.* Economic analyses of the impact of a national IDA investment show that for every dollar invested, a five dollar return to the national economy would result in the form of new businesses, new jobs, increased earnings, higher tax receipts, and reduced welfare expenditures. At the same time, IDAs will increase core deposits at a time when many Americans are moving to other investment vehicles. And, importantly, IDAs help address the growing problem of the declining national personal savings rate.

By Mr. JOHNSON (for himself, Mr. CONRAD, Mr. HARKIN, Mr. DORGAN, Mr. ROBERTS, Mr. LEVIN, Mr. KERREY, Mr. GRASSLEY, and Mr. CRAIG):

S. 2741. A bill to amend the Agricultural Credit Act of 1987 to extend the authority of the Secretary of Agriculture to provide grants for State mediation programs dealing with agricultural issues, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

MEDIATION PROGRAM LEGISLATION

INTRODUCTION

Mr. JOHNSON. Mr President, I rise on the floor of the Senate today to introduce bipartisan legislation to extend a popular program which provides mediation services between agricultural producers and the various credit and United States Department of Agriculture agencies who family farmers and ranchers work with to maintain their operations.

During the 1980's farm crisis, Congress authorized federal participation in a state farm mediation program. Originally authorized in the Agriculture Credit Act of 1987, mediation programs help agricultural producers and their creditors to resolve credit disputes (and other types of disputes) in a confidential and non-adversarial setting which is outside the traditional process of litigation, appeals, bankruptcy, and foreclosure.

The mediators are neutral facilitators and they do not make decisions for the disputing parties.

Federal legislation has encouraged state involvement by providing matching grant funds to the states that participate in the mediation program. Currently, 24 states participate, including Alabama, Arkansas, Arizona, Florida, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Nebraska, Nevada, New Mexico, New York, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wisconsin, and Wyoming.

Beyond the scope of agricultural credit-related mediation, the program aims to resolve disputes such as wetland determinations, grazing issues, and USDA program compliance, and other issues the Secretary of Agriculture deems appropriate.

Each year, Congress seeks to provide funding for the mediation program through the Agriculture Appropriations process. This year $3 million has been appropriated for this program in both the House and Senate Agriculture Appropriation bills. This legislation will not change the fact that Congress must go through the Appropriations process each year to secure funding for this program.

The legislation my colleagues and I are introducing today reauthorizes the mediation program by eliminating the sunset clause (set to expire in FY 2000), clarifies that funds appropriated by Congress to the mediation program must be used for farm credit cases (including USDA direct and guaranteed loans and loans from commercial entities) and may be used for other USDA program disputes, and clarifies that mediation services can include counseling services to prepare parties to a dispute prior to mediation.

In a time when family farmers and ranchers continue to deal with low prices and suffer under more and more vertical integration, I believe we must begin to reflect on what we can do to maintain the independent family farms and ranches that our country depends on for our food supply. We live in a day and age where nearly every farm and ranch operation must secure credit in order to pay production expenditures necessary to stay in business. This mediation program is supported by both

sides of the aisle and allows farmers and ranchers to settle their credit and farm program disputes in a fair way without digging themselves into legal debt.

I have worked with the lone Congressman from my home state of South Dakota in drafting this legislation and the same bill will be introduced in the House of Representatives today as well.

I urge my colleagues of the Senate to join me in supporting this bi-partisan legislation with the goal of moving it through the legislative process quickly in order to continue to provide these services to our American farmers and ranchers.

By Mr. SMITH of Oregon (for himself, Mr ABRAHAM, Mr. ASHCROFT, Mr. BURNS, Mr. SANTORUM, Mr. GORTON, Mrs. HUTCHISON, Mr. ALLARD, Mr. BENNETT, Mr. COVERDELL, Mr. GREGG, Mr. HELMS, Mr. THOMAS, Mr. INHOFE, Mr. MACK, Mr. WARNER, Mr. BUNNING, Mr. LOTT, Mr. MCCONNELL, Mr. CRAPO, and Mr. ROBERTS):

S. 2742. A bill to amend the Internal Revenue Code of 1986 to increase disclosure for certain political organizations exempt from tax under section 527 and section 501(c), and for other purposes; read the first time.

TAX-EXEMPT POLITICAL DISCLOSURE ACT INTRODUCTION

Mr. SMITH of Oregon. Mr. President, I rise today to introduce legislation, co-sponsored by 20 of my Senate colleagues, to bring sunshine to our campaign finance laws, to provide for full disclosure of contributions and expenditures of groups which have heretofore not been held accountable, yet have been subsidized by the American people through their tax-exempt status.

Joining me in this effort are Senators ABRAHAM, ASHCROFT, BURNS, SANTORUM, GORTON, HUTCHISON, ALLARD, BENNETT, COVERDELL, GREGG, HELMS, THOMAS, INHOFE, MACK, WARNER, BUNNING, LOTT, MCCONNELL, CRAPO, and ROBERTS.

I have long been a proponent of full disclosure, to the extent it is consistent with the First Amendment, of campaign contributions and expenditures.

If we are to rekindle the trust of the American people, not only must the political parties be held accountable, so, too, must those tax-exempt groups which engage in political activities, yet heretofore have operated outside the realm of disclosure. The public has the right to know the identity of those trying to influence our elections, and Congress must do whatever it can to make sure that organizations do not wrongly benefit from the public subsidy of tax exemption.

The bill we are introducing today, the Tax-Exempt Political Disclosure Act, expands upon the McCain-Lieberman amendment of last week which targeted a narrow list of tax-exempt organizations established under section 527 of the tax code. The so-called 527 groups covered in this bill do not make contributions to candidates or engage in express advocacy, and thus are not required to publicly disclose contributors or expenditures. Our bill contains in its entirety the provisions of the McCain-Lieberman amendment, but goes beyond the 527 groups to require tax-exempt labor and business organizations, as well, to disclose their contributors and expenditures.

Specifically, in Title I of our bill, which is identical to the McCain-Lieberman amendment, we require the subset of 527 organizations that are not already subject to the Federal Election Campaign Act to:

1. Disclose their existence to the IRS;
2. File publicly available tax returns;
3. Publicly report expenditures of over $500; and
4. Identify those who contribute more than $200 annually to the organization.

Title II of our bill applies to business or labor organizations that are tax-exempt under sections 501(c)(5) or 501(c)(6) of the Internal Revenue Code and that spend $25,000 or more on the very same kinds of political activities engaged in by section 527 organizations covered by Title I of our bill. As we do with the 527 organizations, we require tax-exempt business and labor organizations to report expenditures for political activity of $500 or more and identify those who contribute more than $200 annually.

Importantly, this legislation will not result in disclosure of any labor or business organization's membership lists because annual dues to these tax-exempt groups are excluded from the definition of ''contribution.'' The bill requires disclosure only of those members who choose to contribute more than $200 annually for political purposes.

If the Senate is for disclosure of the few tax-exempt 527 organizations that may spend a couple of million dollars on issue ads, then surely we should advocate disclosure of the tax-exempt labor and business organizations that will spend twenty or forty times that amount of money on issue ads and other political activity. Our legislation will require these organizations receiving tax exempt status to emerge from the shadows and make some minimal disclosure about themselves and the source of their money.

Tax exemption is not an entitlement, and any organization wanting to avoid the ramifications of claiming such status simply may choose not to seek that status. Our bill merely says that if a group engaging in political activity wants tax exempt status, the public has a right to expect certain things in return.

Let me make clear that we are sincere in this effort, and we welcome and invite Senators MCCAIN and FEINGOLD to work with us. We are open to discussions with business and labor groups, as well, on the mechanics of the bill. We want to be flexible and will consider changes where appropriate.

The bottom line, however, is that in the end there must be meaningful disclosure if we are to have the confidence of the American people and bring integrity to the process.

By Mr. KENNEDY (for himself, Mr. DODD, and Mrs. MURRAY):

S. 2743. A bill to amend the Public Health Service Act to develop an infrastructure for creating a national voluntary reporting system to continually reduce medical errors and improve patient safety to ensure that individuals receive high quality health care; to the Committee on Health, Education, Labor, and Pensions.

THE VOLUNTARY ERROR REDUCTION AND IMPROVEMENT IN PATIENT SAFETY ACT

• Mr. KENNEDY. Mr. President, between 44,000 and 98,000 patients die each year from medical errors, making it the eighth leading cause of death in the United States. Each day, more than 250 people die because of medical errors—the equivalent of a major airplane crash every day. Estimates of the annual financial cost of preventable errors run as high as $29 billion a year. We can do better for our citizens. We must do better.

The Voluntary Error Reduction and Improvement in Patient Safety Act of 2000, which Senator DODD and I are introducing today, will provide the federal investment and framework necessary to take the first steps to effectively treat this continuing epidemic of medical errors. Today, there errors are a stealth plague hidden deep within the world's best health care system. This legislation will support needed research in this area, and identify and reduce common mistakes.

Reducing medical errors can save lives and health care dollars, and avoid countless family tragedies. The field of anesthesia had the foresight to undertake such an effort almost 20 years ago, and today, the number of fatalities from errors in administering anesthesia has dropped by 98 percent. Our goal should be to achieve equal or even greater success in reducing other types of medical mistakes. This legislation lays the foundation to achieve this goal.

The 1999 Institute of Medicine report, To Err is Human, documented the compelling need for aggressive national action on the issue. The IOM report recommended the creation of two reporting systems, each with different goals. The first is a voluntary confidential reporting system to learn about medical errors and help researchers develop solutions for future error prevention and reduction. The second is a mandatory public reporting system for certain serious errors and deaths in order to inform the public and hold health care facilities responsible for their mistakes.

Our legislation today deals with the first issue, but the second issue is also critical. I believe that the public has a right-to-know about certain serious events, and public disclosure is an important tool to assure that institutions

put safety on the front burner, not the back burner.

I commend the Administration for recognizing the value of mandatory reporting by recently establishing such programs in the Department of Veterans Affairs and Department of Defense health care systems. The Agency for Healthcare Research and Quality is also in the process of evaluating existing mandatory reporting systems, and the Health Care Financing Administration is planning to sponsor a mandatory reporting demonstration project for selected private hospitals. I believe our next step should be to move ahead with mandatory reporting, and the results of these studies will shed needed light on the effectiveness of different options.

The bill we introduce today would take a significant first step toward implementing and providing support for the recommendations in the IOM report.

The overwhelming majority of errors are caused by flaws in the health care system, not the outright negligence of individual doctors and nurses. Our hospitals, doctors, nurses, and other health care providers want to do the right thing. Our proposal gives the health care community the tools to identify the causes of medical errors, the resources to develop strategies to prevent them, and the encouragement to implement those solutions.

First, the Act creates a new patient safety center in the Agency for Healthcare Research and Quality. The Center for Quality Improvement and Patient Safety will improve and promote patient safety by conducting and supporting research on medical errors, administering the national medical error reporting systems created under this bill, and disseminating evidence-based practices and other error reduction and prevention strategies to health care providers, purchasers and the public.

Second, the legislation would establish national voluntary reporting and surveillance systems under AHRQ to identify, track, prevent and reduce medical errors. The National Patient Safety Reporting System will allow health care professionals, health care facilities, and patients to voluntarily report adverse events and close calls. The National Patient Safety Surveillance System would establish a surveillance system, which is modeled on a successful CDC initiative that tracks hospital-acquired infections, for health care facilities that choose to participate. Participating facilities will include a representative sample of various institutions, which will monitor, analyze, and report selected adverse events and close calls. Researchers will provide feedback to the participating facilities.

Reports submitted to both programs will be analyzed to identify systemic faults that led to the errors, and recommend solutions to prevent similar errors in the future.

In order to encourage participation, reports and analyses from both programs will be protected from discovery, and health care workers who submit reports to the programs will be protected against workplace retaliation based on their participation in the reporting systems.

In exchange for establishing this reporting system, health care facilities and professionals would be expected to voluntarily implement appropriate patient safety solutions as they are developed. In addition, in recognition of the significant federal investments in error reduction strategies and the provision of health services, the Secretary of Health and Human Services will be required to develop a process for determining which evidence-based practices should be applied to programs under the Secretary's authority. The Secretary will take appropriate, reasonable steps to assure implementation of these practices.

Our proposal also requires the Director of the Office of Personnel Management to develop a similar process for determining which evidence-based practices should be used as purchasing standards for the Federal Employees Health Benefits Program. Plans will also be rated on how well they met these standards, and compliance ratings will be provided to federal employees and retirees during the annual enrollment period.

The bill authorizes $50,000,000 for the Agency for Healthcare Research and Quality for FY 2001, increasing to $200,000,000 in FY 2005, to fund error-related research and the reporting systems.

Systemic errors in the health care system put every patient at risk of injury. The measure we propose today is designed to reduce that risk as much as possible. Americans deserve the highest quality health care. This bill will raise patient safety to a high national priority, and ensure that patient safety becomes part of every citizen's expectation of high quality health care. This is essential legislation, and I look forward to working with my colleagues to expedite its passage and to develop companion legislation that establishes a mandatory reporting system.

I ask unanimous consent that the following summary, fact sheet, and letters of support be inserted into the RECORD.

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

VOLUNTARY ERROR REDUCTION AND IMPROVEMENT IN PATIENT SAFETY ACT OF 2000: SUMMARY

According to the November 1999 Institute of Medicine report, ''To Err is Human: Building a Safer Health System,'' between 44,000 and 98,000 patients die each year as a result of mistakes. Estimates of total annual national costs for preventable errors range from $17 to $29 billion. This legislation amends the Public Health Service Act to establish a national non-punitive system to prevent and reduce medical errors. Provisions are designed to: (1) identify and investigate certain medical errors; (2) develop and disseminate best practices to prevent and reduce medical errors; and (3) assure implementation of evidence-based error reduction strategies.

CENTER FOR PATIENT SAFETY

Authorizes the Agency for Healthcare Research and Quality (AHRQ) to: (1) create a Center for Quality Improvement and Patient Safety to promote patient safety; (2) serve as a central publicly accessible clearinghouse for information concerning patient safety; (3) administer the reporting systems created under this legislation; (4) conduct and fund research on the causes of and best practices to reduce medical errors; and (5) disseminate evidence-based information to guide in the development and continuous improvement of best practices.

REPORTING SYSTEMS

Creates two national voluntary, and confidential reporting systems under AHRQ: (1) a reporting system of adverse events and close calls that uses uniform reporting standards and forms; and (2) a surveillance system in which participating health care facilities agree to monitor, analyze, and report specified adverse events and close calls that occur in their institutions. Reports submitted to both programs will be protected from discovery, and analyzed to identify errors that result from faults in the health care system. Neither program will preempt existing nor preclude the later development of new reporting systems.

Health care professionals who submit reports to the reporting systems, their employer, or an appropriate regulatory agency or private accrediting body may not be discriminated against in their employment for reporting.

AUTHORIZATION LEVELS

Authorizes $50,000,000 for AHRQ for fiscal year 2001, with gradual increases to $200,000,000 for fiscal year 2005, to fund error-related research and the reporting systems.

APPLICATION TO FEDERAL PROGRAMS

Requires the Secretary of the Department of Health and Human Services to: (1) develop a process for determining which evidence-based best practices disseminated by AHRQ should be applied to programs under the Secretary's authority; and (2) take reasonable steps as may be appropriate to bring about the implementation of such practices. Requires the Director of the Office of Personnel Management to develop a process for determining which evidence-based best practices disseminated by AHRQ should be used as purchasing standards for the Federal Employees Health Benefits Program.

FACT SHEET: THE NEED FOR THE VOLUNTARY ERROR REDUCTION AND IMPROVEMENT OF PATIENT SAFETY ACT (VERIPSA)

In December, 1999, the Institute of Medicine issued a report, To Err is Human: Building a Safer Health Care System, that documents the compelling need for national action to reduce errors and improve patient safety:

Between 44,000 and 98,000 patients die each year as a result of medical errors, making medical errors the eighth leading cause of death.

Errors in the health care system result in more deaths each year than highway accidents, breast cancer or AIDS. Errors that seriously injure or otherwise harm patients are even more prevalent.

In 1993, medication errors alone are estimated to have accounted for 7,000 deaths. Two percent of patients admitted to hospitals experience an adverse event caused by medication errors, resulting in $2 billion in

national spending for additional hospital costs related to preventable medication errors for inpatients.

Total annual national costs (e.g., health care, lost wages/productivity, disability) resulting from medical errors are estimated to be between $38 and $50 billion, including $17–29 billion for preventable events.

VERIPSA CAN SAVE LIVES AND REDUCE HEALTH CARE COSTS

The report found that most medical errors are the result of flaws in the health care system, rather than carelessness by health professionals, including, for example, errors that arise from misreading a physician's handwritten prescription. Many of these problems can be minimized through better systems and computerization.

Over the last two decades, a systematic effort to reduce deaths from errors in administering anesthesia has resulted in a decline from two deaths per 10,000 patients in the early 1980s to one death per 300,000 patients today.

One study found that 60 percent of preventable adverse drug events could be avoided by physician computer-entry order systems.

The experience on other industries has shown the effectiveness of concerted efforts to reduce errors. Since 1976, the death rate from airline accidents has declined 400%. Since the creation of the Occupational Safey and Health Administration in 1970, the workplace death rate has been cut in half.

The Institute of Medicine report concludes that a reduction in medical errors of 50% over the next five years is achievable and should be a minimum target for national action.

AMERICAN HEALTH QUALITY ASSOCIATION,
Washington, DC, June 15, 2000.

STATEMENT ON THE ''VOLUNTARY ERROR REDUCTION AND IMPROVEMENT IN PATIENT SAFETY ACT''

The American Health Quality Association (AHQA) represents the national network of Quality Improvement Organizations (QIOs), which are known as the Peer Review Organizations (PROs), for their Medicare quality improvement work. The QIOs have vast clinical and analytic expertise, work daily with providers across the country, and know how to affect systemic change and bring about measurable improvement in care. They are experts at translating the literature and research regarding best practices from ''bookshelf to bedside'' and teaching providers how to perform ongoing measurement of their progress.

Senator KENNEDY and Senator DODD have done a commendable job of addressing all of the various aspects of what is necessary for a national system for improving patient safety. In their ''Voluntary Error Reduction and Improvement in Patient Safety Act,'' they direct AHRQ to establish a Center for Quality Improvement and Patient Safety to conduct research of medical errors and disseminate information on the best practices for reducing them. The bill also proposes two reporting systems that are voluntary, nonpunitive, and confidential. One system asks providers to report adverse events and close calls to AHRQ using uniformed standards and forms. The other asks providers to agree to monitor specific types of adverse events as directed by AHRQ.

AHQA is pleased that AHRQ is given the authority to contract with experts in the field to work with health care providers and practitioners to identify adverse events and determine what systemic changes are necessary to prevent them for recurring. AHQA's goal in the patient safety debate is to make sure that true quality improvement is achieved. We do not support error reporting for the sake of reporting. Organizations, such as the QIOs, should be encouraged to work side by side with providers and practitioners to improve their health care delivery systems.

''The Voluntary Error Reduction and Improvement in Patient Safety Act'' then goes beyond reporting and research by directing the Secretary of HHS to take the best practices disseminated by AHRQ and apply them, as may be appropriate, to programs under the Secretary's authority. The bill specifically directs the Secretary to enter into agreements with the QIOs (through their PRO work) to provide, upon request, technical assistance regarding best practices and root-cause analysis to health care providers participating in HHS funded health programs.

AHQA believes it is the appropriate next step to regime HHS to apply the most up-to-date methods for assuring patient safety to its health care programs. The QIOs stand ready to assist the Director of AHRQ and the Secretary of HHS in their efforts to help the medical community find the root cause of adverse events that are occurring and help develop strategies for preventing them in the future.

MASSACHUSETTS HOSPITAL ASSOCIATION,
Burlington, MA, June 15, 2000.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KENNEDY: On behalf of the hospitals in Massachusetts, I am writing to applaud the introduction of your legislation ''The Error Reduction and Improvement in Patient Safety Act.'' This bill will no doubt serve as a major step toward making patient safety a national priority.

We hope that many aspects of this legislation will become law. In particular, we support your suggested process to ensure that proven practices to reduce medical errors are implemented. In addition, we also believe that your efforts to improve confidentiality protections for reporting will go a long way towards creating a safe environment that supports open dialogue about errors, their causes, and solutions.

Thanks to you and your staff, Massachusetts continues to be on the forefront of the national debate about how best to address this important issue.

Sincerely,

ANDREW DREYFUS,
Executive Vice President.

FEDERATION OF BEHAVIORAL, PSYCHOLOGICAL AND COGNITIVE SCIENCES,
Washington, DC, June 15, 2000.

Hon. EDWARD KENNEDY,
Health, Education, Labor and Pensions Committee, U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: I am writing on behalf of the Federation of Behavioral, Psychological and Cognitive Sciences, a coalition of 19 scientific associations. Among its scientists are human factors researchers whose work is devoted to understanding and reducing the adverse effects of medical errors. I write to endorse the ''Voluntary Error Reduction and Improvement in Patient Safety Act.''

This bill recognizes that human error in healthcare settings has reached epidemic proportions and will provide an infrastructure for centralized error reporting systems. Important provisions of the bill will allow healthcare providers to learn from such reporting systems by creating interdisciplinary partnerships to conduct root cause analyses across a wide range of health care settings.

Such analyses will help detect error trends and inform new lines of directed inquiry and hypothesis-driven research to reduce errors. The bill highlights the pivotal role of human factors research in understanding human error in any context and would draw upon the success of human factors as it has been applied in many other industries such as aviation, maritime shipping, and nuclear power to improve safety.

As in these other industries, particularly as evidenced in aviation, the real value of error reporting lies in the development of useful applications of the reported data to improve safety. The ''Voluntary Error Reduction and Improvement in Patient Safety Act'' clearly lays out the infrastructure to promote the development of evidence-based interventions to improve safety. Further, unique features of this learning system include basic behavioral principles of positive reinforcement to stimulate voluntary reporting. Such a positive feedback loop will surely strengthen the quality of the database this bill will structure. The database will form the foundation for a bold new way of thinking about patient safety. The data and the research, in turn, will make attainable the goal we all strive for, the dramatic reduction of adverse events in health care settings.

We believe the Kennedy-Dodd bill is a very strong plan for reducing adverse events due to medical error. We also find much to praise in the Jeffords bill. So we take the unusual step of endorsing both and encourage work to meld the unique features of these two extraordinary bills into a coherent whole that will then surely receive the overwhelming support of the Congress.

Sincerely,

DAVID JOHNSON,
Executive Director.●

● Mr. FRIST. Mr. President, I am pleased to join with my colleague, the distinguished chairman of the Health, Education, Labor, and Pensions Committee (HELP), Senator JEFFORDS, in introducing today a critical piece of legislation that will take needed steps to improve the quality of health care delivered in this country. The goal of our legislation today is to improve patient safety by reducing medical errors throughout the health care system.

The Institute of Medicine Report (IOM), released last November, sparked a national debate about how safe our hospitals and health care settings actually are for patients. The scope of the problem identified in the findings were shocking. The IOM found that each year an estimated 44,000 to 98,000 hospital deaths occur as a result of preventable adverse events. This makes medical errors the 8th leading cause of death, with more deaths than vehicle accidents, breast cancer or AIDS. These errors cost our Nation $37.6 billion to $50 billion per year, representing 4 percent of national health expenditures.

Despite the recent IOM findings, this is not a new debate. Many experts have told us that the health care industry is a decade or more behind in utilizing new technologies to reduce medical errors. Just last year, the HELP Committee took initial steps last year to reduce medical errors through the reauthorization of the Agency for Healthcare Research and Quality (AHRQ), revitalizing this agency as the

federal agency focused on improving the quality of health care in this country. Part of the core mission of AHRQ is to further our understanding of the causes of medical errors and the best strategies we can employ to reduce these errors. The legislation authorized the Director of AHRQ to conduct and support research; to build private-public partnerships to identify the causes of preventable health care errors and patient injury in health care delivery; to develop, demonstrate, and evaluate strategies for reducing errors and improving patient safety; and to disseminate such effective strategies throughout the health care industry.

The legislation we introduce today builds upon the further recommendations of the IOM report and reflects the culmination of testimony received throughout the past several months in a series of hearings held by the HELP Committee.

The central goal of this legislation is quality improvement throughout the health care system. We heard over and over throughout our hearings that we need to develop our knowledge base about the best mechanisms to reduce medical errors. This can only be achieved if we build a system where errors can be reported and understood to improve care, not to punish individuals. We need to create a ''culture of safety'' in which errors can be reported, and analyzed, and then change can be implemented.

I will not go into the details of this legislation, which Senator JEFFORDS has already outlined, I would simply outline the three main goals of this legislation, the creation of a national center for quality improvement and patient safety at the AHRQ, the creation of a voluntary reporting system to collect and analyze medical errors, and the establishment of strong confidentiality provisions for the information submitted under quality improvement and medical error reporting systems.

I am very supportive of the goals of this legislation and will continue to examine the best ways to reduce medical errors in our health care system. It is essential that we pass medical errors legislation this year. We will continue to seek input from patients and provider groups as we work to pass this legislation.●

Mr. DODD. Mr. President, I am pleased to join Senator KENNEDY in sponsoring the ''Error Reduction and Improvement in Patient Safety Act,'' legislation which will establish a national system to identify, track and prevent medical errors.

Last November, the Institute of Medicine reported that between 44,000 and 98,000 deaths per year are attributable to medical errors, ranging from illegible prescriptions to amputations of the wrong limb. In other words, patients are being harmed not because of a failure of science or medical knowledge, but because of the inability of our health care system to mitigate common human mistakes.

Most Americans feel confident that the health care they receive will make them better—or at the very least, not make them feel worse. And in the vast majority of circumstances, that confidence is deserved. The dedication, knowledge and training of our doctors, nurses, surgeons and pharmacists in this country are unparalleled. But, as the IOM report starkly notes, the quality of our health care system is showing some cracks. If we are to maintain public confidence, we must respond quickly and thoroughly to this crisis.

One thing is certain: the paradigm of individual blame that we've been operating under discourages providers from reporting mistakes—and thwarts efforts to learn from those mistakes. We have to move beyond finger-pointing and encourage the reporting and analysis of medical errors if we want to make real progress towards improving patient safety.

This legislation will do just that. It authorizes the creation of a national Center for Quality Improvement and Patient Safety to set and track national patient safety goals and conduct and fund safety research. The bill also sets up national non-punitive, voluntary, and confidential reporting systems for medical errors. By analyzing and learning from mistakes, we will be better able to determine what systems and procedures are most effective in preventing errors in the future.

Identification and analysis of errors is critical to improving the quality of health care. But we must also develop measures of accountability that ensure that the information that is generated by a national error reporting system is actually used to improve patient safety. Our bill takes those practices shown to be most effective in preventing errors and creates a mechanism for integrating those practices into federally-funded health care programs. These evidence-based ''best practices'' will also be used as standards for health care organizations seeking to participate in the Federal Employees Health Benefits Program.

Mr. President, the ''Error Reduction and Improvement in Patient Safety Act'' addresses the complex problem of medical errors in the most comprehensive manner possible—from the identification of errors, to the analysis of the errors, to the application of best practices to prevent those errors from ever occurring again. Simply put, this legislation will save lives. I look forward to working with my colleagues to enact this legislation expeditiously, because frankly, one medical error is one too many.

By Mr. ASHCROFT:

S. 2744. A bill to ensure fair play for family farms; to the Committee on the Judiciary.

THE FAIR PLAY FOR FAMILY FARMS ACT OF 2000

S. 2745. A bill to provide for grants to assist value-added agricultural businesses; to the Committee on Agriculture, Nutrition, and Forestry.

THE VALUE-ADDED DEVELOPMENT ACT FOR AMERICAN AGRICULTURE

S. 2746. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for investment by farmers in value-added agricultural property; to the Committee on Finance.

THE FARMERS' VALUE-ADDED AGRICULTURAL INVESTMENT TAX CREDIT ACT

Mr. ASHCROFT. Mr. President, I rise today to discuss the concerns of Missouri farmers and ranchers about concentration in the agriculture sector and about individual farmers' ability to compete and to get fair prices for their commodities.

Missouri is a ''farm state'', so ensuring fair competition in markets is an important issue to me. The state of Missouri is ranked second in the list of states with the most number of farms—only Texas has more. Missouri's varying topography and climate makes for a very agriculturally diverse state. Farmers and ranchers produce over 40 commodities, 22 of which are ranked in the top ten among the states. Missouri is a leader in such crops as beef, soybeans, hay, and rice, as well as watermelon and concord grapes. Having diversity and the ability to change has allowed Missouri farmers to maintain their livelihood for generations. More than 88 percent of the farms in Missouri are family or individually owned, and 8 percent are partnerships. It is easy to see that Missouri is a state that values small and family farms—which are the bedrock of Missouri's rural communities.

As I have traveled around Missouri—visiting every county in the state—Missouri farmers and ranchers have repeatedly told me that increasing concentration of the processing and packing industry has resulted—and will continue to result—in a less competitive market environment and lower prices for producers.

I have been responding to these concerns, and I am taking further action today. Last year, I asked the Department of Justice to create a high-level post within the Antitrust Division to specialize in agriculture-related mergers and transactions. The Administration responded by appointing a representative for agriculture in the Department of Justice. This appointment is a step in the right direction, but producers still have multiple concerns that need to be addressed.

Today, I am introducing three bills to address Missouri and American farmers' concerns about agriculture concentration and market competition. In addition to listening to Missouri farmers on this issue, I have reviewed a resolution that was considered in the Missouri State Legislature about competition in the agricultural economy.

The Ninetieth General Assembly of Missouri called upon the 106th Congress to take an initiative on federal

law governing agriculture concentration. Missouri State Concurrent Resolution 27 (S. Con. Res. 27) is a bipartisan resolution outlining what the Missouri legislature recommends the federal government should do to address the issue of concentration. The resolution passed the Missouri State Senate and was reported out of the House Agriculture Committee to the full House. In drafting the package of bills I am introducing today, I studied the recommendations and objectives in State Senator MAXWELL's Missouri resolution as well as including important provisions of my own.

Mr. President, the bill I'm introducing today—the Fair Play of Family Farms Act—does the following things:

First, this legislation adds ''sunshine'' to the merger process. It will give the Department of Agriculture more authority when it comes to mergers and acquisitions. This will heighten USDA's role in review of all proposed agriculture mergers so that the impact on farmers will be given more consideration, and will make these reviews public. The public will be given an opportunity to comment on the proposed merger, and the USDA will be required to do an impact analysis on producers on a regional basis. I want to ensure that if two agri-businesses merge, the impact on farmers are completely evaluated.

Second, my bill creates a permanent position for an Assistant Attorney General for Agricultural Competition. This position will not simply be appointed by the President or by the Attorney General, but the position will require Senate review and confirmation. Also, my bill provides additional staffing for this new position.

In addition, this bill provides additional funds and requires the Grain Inspection, Packers and Stockyard Administration (GIPSA) to hire more litigation attorneys, economists, and investigators to enforce the Packers and Stockyard Act. An important element of this provision is that it requires GIPSA to put more investigators out ''in the field'' for oversight and investigations. I want to make sure that there are not just more attorneys and economists in Washington, D.C., but that there are more people out doing investigations and oversight.

Because there has been some concerns that the Packers and Stockyards Act does not cover the entire poultry industry, this legislation also requires an analysis of why the poultry industry is not covered, and requires GAO to offer suggestions for how the disparity between poultry and livestock can be remedied.

This bill addresses another problem I was informed about when I was out visiting Missouri farmers—and that is the issue of confidentiality clauses in contracts signed by farmers. Several farmers were concerned about confidentiality clauses in the contracts with agri-business that they were told make it illegal for farmers to share the contract with others, even their lawyers and bankers. I want to ensure that farmers are able to get the legal and financial advice they need, so this bill ensures that such confidentiality clauses do not apply to farmers' contacts with their lawyers or bankers.

The bill also creates a statutory trust for the protection of ranchers who sell on a cash basis to livestock dealers. Right now, if ranchers deliver their cattle to a dealer and then the dealer goes bankrupt, the rancher is not protected. My bill would set up a trust for the rancher, so that if the dealer goes bankrupt, the rancher would be at the front of the line to get paid. There are similar trusts already set up for when a rancher sells livestock to a packer, and this legislation extends the same protections to ranchers when they sell their livestock to dealers.

One of the recommendations from the Missouri legislature that I included in the bill allows GIPSA to seek reparations for producers when a packer is found to be engaged in predatory or unfair practices. This section specifies that when money is collected from those that are damaging producers, the money should go to the farmers, not to the federal government.

This bill will lead to a more fair playing field for Missouri farmers and ranchers. It address concerns of Missourians that I have visited with and incorporates the outline of the Missouri State Resolution.

Finally, I am pleased to be the Senate sponsor of two bills that have already been introduced in the other Chamber by the distinguished Representative from Missouri, Congressman JIM TALENT. I would like to commend Congressman TALENT for the work he has done to help the Missouri agriculture community. Representative TALENT's bills on value added agriculture are a positive step for Missouri and U.S. producers. Therefore, I would like to introduce these two bills in the Senate to ''help put farmers back in the driver's seat.''

The Value-Added Development Act for American Agriculture provides technical assistance for producers to start value-added ventures. This bill helps family farmers compete by giving farmers the opportunity to take a greater share of the profit from the processing industry. The legislation will provide technical assistance to producers for value-added ventures, including engineering, legal services, applied research, scale production, business planning, marketing, and market development.

The funds would be provided to farmers through grants requests, which will be evaluated on the State level. It has long been my opinion that farmers know how best to farm their land, meet market demands, and make a profit. If the ideas of farmers are cultivated on a local and state level, farmers will likely have more flexibility to make wise decisions for markets in their home states and regions.

States would have the opportunity to apply for $10 million grants to start up an Agriculture Innovation Center. The state boards will consist of the State Department of Agriculture, the largest two general farm organizations, and the four highest grossing commodity groups. The Agriculture Innovation Center will then use the funds to help farmers finance the start-up of value added ventures.

Once it is determined that the farmers' ideas for a value added venture could be beneficial, the State Agriculture Innovation Center can give the farmers assistance with plans, engineering, and design. When the farmer is actually ready to begin implementation of the value added project, the third bill I am introducing will help out.

The Farmers' Value-Added Agricultural Investment Tax Credit Act would create a tax credit for farmers who invest in producer owned value-added endeavors—even ventures that are not farmer-owned co-ops. This would provide a 50% tax credit for the producers of up to $30,000 per year, for six years.

The three bills I am introducing today are important to the continuation of the American farmer over the next century. I know that these bills will benefit the producers of Missouri, and in turn benefit all of America.

ADDITIONAL COSPONSORS

S. 514

At the request of Mr. COCHRAN, the name of the Senator from Rhode Island (Mr. L. CHAFEE) was added as a cosponsor of S. 514, a bill to improve the National Writing Project.

S. 567

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 567, a bill to amend the Dairy Production Stabilization Act of 1983 to ensure that all persons who benefit from the dairy promotion and research program contribute to the cost of the program.

S. 717

At the request of Ms. MIKULSKI, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 717, a bill to amend title II of the Social Security Act to provide that the reductions in Social Security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1,200, adjusted for inflation.

S. 730

At the request of Mr. DURBIN, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 730, a bill to direct the Consumer Product Safety Commission to promulgate fire safety standards for cigarettes, and for other purposes.

S. 764

At the request of Mr. THURMOND, the name of the Senator from Utah (Mr.

BENNETT) was added as a cosponsor of S. 764, a bill to amend section 1951 of title 18, United States Code (commonly known as the Hobbs Act), and for other purposes.

S. 779

At the request of Mr. ABRAHAM, the names of the Senator from Massachusetts (Mr. KERRY), the Senator from Montana (Mr. BAUCUS), and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 779, a bill to provide that no Federal income tax shall be imposed on amounts received by Holocaust victims or their heirs.

At the request of Mr. ABRAHAM, the name of the Senator from Nebraska (Mr. KERREY) was withdrawn as a cosponsor of S. 779, supra.

S. 1159

At the request of Mr. STEVENS, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 1159, a bill to provide grants and contracts to local educational agencies to initiate, expand, and improve physical education programs for all kindergarten through 12th grade students.

S. 1262

At the request of Mr. REED, the name of the Senator from Rhode Island (Mr. L. CHAFEE) was added as a cosponsor of S. 1262, a bill to amend the Elementary and Secondary Education Act of 1965 to provide up-to-date school library medial resources and well-trained, professionally certified school library media specialists for elementary schools and secondary schools, and for other purposes.

S. 1277

At the request of Mr. GRASSLEY, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 1277, a bill to amend title XIX of the Social Security Act to establish a new prospective payment system for Federally-qualified health centers and rural health clinics.

S. 1351

At the request of Mr. GRASSLEY, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 1351, a bill to amend the Internal Revenue Code of 1986 to extend and modify the credit for electricity produced from newable resources.

S. 1495

At the request of Mr. DEWINE, the name of the Senator from Michigan (Mr. ABRAHAM) was added as a cosponsor of S. 1495, a bill to establish, wherever feasible, guidelines, recommendations, and regulations that promote the regulatory acceptance of new and revised toxicological tests that protect human and animal health and the environment while reducing, refining, or replacing animal tests and ensuring human safety and product effectiveness.

S. 1787

At the request of Mr. BAUCUS, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 1787, a bill to amend the Federal Water Pollution Control Act to improve water quality on abandoned or inactive mined land.

S. 1915

At the request of Mr. JEFFORDS, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 1915, a bill to enhance the services provided by the Environmental Protection Agency to small communities that are attempting to comply with national, State, and local environmental regulations.

S. 2018

At the request of Mrs. HUTCHISON, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 2018, a bill to amend title XVIII of the Social Security Act to revise the update factor used in making payments to PPS hospitals under the Medicare program.

S. 2084

At the request of Mr. LUGAR, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from Pennsylvania (Mr. SANTORUM) were added as cosponsors of S. 2084, a bill to amend the Internal Revenue Code of 1986 to increase the amount of the charitable deduction allowable for contributions of food inventory, and for other purposes.

S. 2273

At the request of Mr. BRYAN, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 2273, a bill to establish the Black Rock Desert-High Rock Canyon Emigrant Trails National Conservation Area, and for other purposes.

S. 2274

At the request of Mr. GRASSLEY, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 2274, a bill to amend title XIX of the Social Security Act to provide families and disabled children with the opportunity to purchase coverage under the Medicaid program for such children.

S. 2308

At the request of Mr. MOYNIHAN, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 2308, a bill to amend title XIX of the Social Security Act to assure preservation of safety net hospitals through maintenance of the Medicaid disproportionate share hospital program.

S. 2330

At the request of Mr. ROTH, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 2330, a bill to amend the Internal Revenue Code of 1986 to repeal the excise tax on telephone and other communication services.

S. 2423

At the request of Mr. DURBIN, the name of the Senator from Nebraska (Mr. KERREY) was added as a cosponsor of S. 2423, a bill to provide Federal Perkins Loan cancellation for public defenders.

S. 2582

At the request of Mr. LIEBERMAN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 2582, a bill to amend section 527 of the Internal Revenue Code of 1986 to better define the term political organization.

S. 2583

At the request of Mr. LIEBERMAN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 2583, a bill to amend the Internal Revenue Code of 1986 to increase disclosure for certain political organizations exempt from tax under section 527.

S. 2585

At the request of Mr. GRAHAM, the names of the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Ohio (Mr. DEWINE) were added as cosponsors of S. 2585, a bill to amend titles IV and XX of the Social Security Act to restore funding for the Social Services Block Grant, to restore the ability of the States to transfer up to 10 percent of TANF funds to carry out activities under such block grant, and to require an annual report on such activities by the Secretary of Health and Human Services.

S. 2703

At the request of Mr. AKAKA, the name of the Senator from Wisconsin (Mr. KOHL) was added as a cosponsor of S. 2703, a bill to amend the provisions of title 39, United States Code, relating to the manner in which pay policies and schedules and fringe benefit programs for postmasters are established.

S. 2730

At the request of Mr. HUTCHINSON, the name of the Senator from Texas (Mr. GRAMM) was added as a cosponsor of S. 2730, a bill to provide for the appointment of additional Federal district judges, and for other purposes.

S. 2731

At the request of Mr. FRIST, the names of the Senator from Vermont (Mr. JEFFORDS) and the Senator from Maryland (Ms. MIKULSKI) were added as cosponsors of S. 2731, a bill to amend title III of the Public Health Service Act to enhance the Nation's capacity to address public health threats and emergencies.

S. CON. RES. 60

At the request of Mr. FEINGOLD, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. Con. Res. 60, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued in honor of the U.S.S. *Wisconsin* and all those who served aboard her.

S. CON. RES. 111

At the request of Mr. NICKLES, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. Con. Res. 111, a concurrent resolution expressing the sense of the Congress regarding ensuring a competitive North American market for softwood lumber.

S.J. RES. 47

At the request of Mr. SMITH of New Hampshire, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S.J. Res. 47, a joint resolution disapproving the extension of the waiver authority contained in section 402(c) of the Trade Act of 1974 with respect to Vietnam.

S. RES. 239

At the request of Mr. ROBB, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. Res. 239, a resolution expressing the sense of the Senate that Nadia Dabbagh, who was abducted from the United States, should be returned home to her mother, Ms. Maureen Dabbagh.

S. RES. 294

At the request of Mr. ABRAHAM, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. Res. 294, a resolution designating the month of October 2000 as ''Children's Internet Safety Month.''

S. RES. 301

At the request of Mr. THURMOND, the names of the Senator from Oklahoma (Mr. NICKLES) and the Senator from Utah (Mr. BENNETT) were added as cosponsors of S. Res. 301, a resolution designating August 16, 2000, as ''National Airborne Day.''

AMENDMENT NO. 3430

At the request of Mr. ALLARD, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of amendment No. 3430 proposed to H.R. 4475, a bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

AMENDMENT NO. 3432

At the request of Mr. DOMENICI, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of amendment No. 3432 proposed to H.R. 4475, a bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

At the request of Mr. BINGAMAN, his name was added as a cosponsor of amendment No. 3432 proposed to H.R. 4475, supra.

At the request of Mr. HARKIN, his name was added as a cosponsor of amendment No. 3432 proposed to H.R. 4475, supra.

At the request of Mr. DORGAN, his name was added as a cosponsor of amendment No. 3432 proposed to H.R. 4475, supra.

SENATE CONCURRENT RESOLUTION 123—EXPRESSING THE SENSE OF THE CONGRESS REGARDING MANIPULATION OF THE MASS AND INTIMIDATION OF THE INDEPENDENT PRESS IN THE RUSSIAN FEDERATION, EXPRESSING SUPPORT FOR FREEDOM OF SPEECH AND THE INDEPENDENT MEDIA IN THE RUSSIAN FEDERATION, AND CALLING ON THE PRESIDENT OF THE UNITED STATES TO EXPRESS HIS STRONG CONCERN FOR FREEDOM OF SPEECH AND THE INDEPENDENT MEDIA IN THE RUSSIAN FEDERATION

Mr. LAUTENBERG submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 123

Whereas almost all of the large printing plants, publishing houses, and newspaper distribution companies, several leading news agencies, and almost all of the nationwide television frequencies and broadcasting facilities in the Russian Federation remain under government control, despite the extensive privatization of state-owned enterprises in other sectors of the Russian economy;

Whereas the ''Press Freedom Survey 2000'' reported by ''Freedom House'' of Washington, DC, stated that the approximately 2,500 regional and rural newspapers in Russia outside of Moscow are almost completely owned by local or provincial governments;

Whereas the Government of Russia is able to suspend or revoke broadcast and publishing licenses and apply exorbitant taxes and fees on the independent media;

Whereas, in 1999, a major television network controlled by the Russian Government canceled the program ''Top Secret'' after it reported on alleged corruption at high levels of the government;

Whereas, in July 1999, the Government of Russia created a new Ministry for Press, Television and Radio Broadcasting, and Mass Communications;

Whereas, in August 1999, the editors of fourteen of Russia's leading news publications sent an open letter to then Russian President Boris Yeltsin stating that high-ranking officials of the government were putting pressure on the mass media, particularly through unwarranted raids by tax police;

Whereas Mikhail Lesin, Minister for Press, Television and Radio Broadcasting, and Mass Communications, stated in October 1999 that the Russian Government would change its policies towards the mass media so as to address ''aggression'' by the Russian press;

Whereas the Russian Federal Security Service or ''FSB'' is reportedly implementing a technical regulation known as ''SORM-2'' by which it could reroute, in real time, all electronic transmissions over the Internet through FSB offices for purposes of surveillance, a likely violation of the Russian constitution's provisions concerning the right to privacy of private communications, according to Aleksei Simonov, President of the Russian ''Glasnost Defense Foundation,'' a nongovernmental human rights organization;

Whereas such surveillance under SORM-2 would allow the Russian Federal Security Service access to passwords, financial transactions, and confidential company information, among other transmissions;

Whereas it is reported that over one hundred Russian journalists have been killed over the past decade, with few if any of the government investigations into those murders resulting in arrests, prosecutions, or convictions;

Whereas numerous observers of Russian politics have noted the blatant misuse of the leading Russian television channels, controlled by the Russian Government, to undermine popular support for political rivals of those supporting the government in the run-up to parliamentary elections held in December 1999;

Whereas it has been reported that Russian television stations controlled by the Russian Government were used to disparage opponents of Vladimir Putin during the campaign for the presidency in the beginning of this year, and whereas it has been reported that political advertisements by those candidates were routinely relegated by those stations to slots outside of prime time coverage;

Whereas manipulation of the media by the Russian Government appeared intent on portraying the Russian military attack on the separatist Republic of Chechnya to the maximum political advantage of the Russian Government;

Whereas in December 1999 two correspondents for ''Reuters News Agency'' and the ''Associated Press'' were reportedly accused of being foreign spies after reporting high Russian casualty figures in the war in Chechnya;

Whereas the arrest in January 2000, subsequent treatment by the Russian military, and prosecution by the Russian Government of Andrei Babitsky, a correspondent for Radio Free Europe/Radio Liberty covering the war in Chechnya, have constituted a violation of commitments made by the Russian Government to foster freedom of speech and of the press, and have reportedly constituted a violation of the Criminal Code of the Russian Federation;

Whereas in January 2000 Aleksandr Khinshtein, a reporter for the newspaper ''Moskovsky Komosomlets'', was ordered by the Russian Federal Security Service to enter a clinic over 100 miles from his home for a psychiatric examination after he accused top Russian officials of illegal activities, and such detainment in psychiatric wards was previously employed by the former Soviet regime to stifle dissent;

Whereas the Russian newspaper ''Novaya Gazeta'' was officially warned by the Russian Ministry of the Press for its printing of an interview with Aslan Maskhadov, the elected President of the Republic of Chechnya; an entire issue of ''Novaya Gazeta'', including several articles alleging massive campaign finance violations by the presidential campaign of Vladimir Putin, was lost to unidentified computer ''hackers''; and a journalist for ''Novaya Gazeta'' was savagely beaten in May of this year;

Whereas President Thomas Dine of Radio Free Europe/Radio Liberty on March 14th, 2000, condemned the Russian Government's expanding efforts to intimidate the mass media, stating that those actions threaten the chances for democracy and rule of law in Russia;

Whereas ''NTV'', the only national independent television station, which reaches half of Russia and is credited with professional and balanced news programs, has frequently broadcast news stories critical of Russian Government policies;

Whereas on May 11, 2000, masked officers of the Russian Federal Security Service carrying assault weapons raided the offices of ''Media-Most'', the corporate owner of NTV and other independent media;

Whereas the May 11th raid on Media-Most represented a failure of recourse to normal

legal mechanisms and conveyed the appearance of a politically-motivated attack on Russian independent media;

Whereas the raid on Media-Most was carried out under the authority of President Putin and Russian Government ministers who have not criticized or repudiated that action;

Whereas on June 12, 2000, Vladimir Gusinsky, owner of NTV and other leading independent media was suddenly arrested;

Whereas President Putin claimed not to have known of the planned arrest of Vladimir Gusinsky;

Whereas the continued functioning of an independent media is a vital attribute of Russian democracy and an important obstacle to the return of authoritarian or totalitarian dictatorship in Russia; and

Whereas a free news media can exist only in an environment that is free of state control of the news media, that is free of any form of state censorship or official coercion of any kind, and that is protected and guaranteed by the rule of law: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring),

(1) expresses its continuing, strong support for freedom of speech and the independent media in the Russian Federation;

(2) expresses its strong concern over the failure of the government of the Russian Federation to privatize major segments of the Russian media, thus retaining the ability of Russian officials to manipulate the media for political or corrupt ends;

(3) expresses its strong concern over the pattern of Russian officials' surveillance and physical, economic, legal, and political intimidation of Russian citizens and of the Russian media that has now become apparent in Russia;

(4) expresses its strong concern over the pattern of manipulation of the Russian media by Russian Government officials for political and possibly corrupt purposes that has now become apparent;

(5) expresses profound regret and dismay at the detention and continued prosecution of Radio Free Europe/Radio Liberty journalist Andrei Babitsky and condemns those breaches of Russian legal procedure and of Russian Government commitments to the rights of Russian citizens that have reportedly occurred in his detention and prosecution;

(6) expresses strong concern over the breaches of Russian legal procedure that have reportedly occurred in the course of the May 11th raid by the Russian Federal Security Service on Media-Most and the June 12th arrest of Vladimir Gusinsky; and

(7) calls on the President of the United States to express to the President of the Russian Federation his strong concern for freedom of speech and the independent media in the Russian Federation and to emphasize the concern of the United States that official pressures against the independent media and the political manipulation of the state-owned media in Russia are incompatible with democratic norms.

SEC. 2. TRANSMITTAL TO SECRETARY OF STATE.

The Secretary of the Senate shall transmit a copy of this concurrent resolution to the Secretary of State with the request that it be forwarded to the President of the Russian Federation.

Mr. LAUTENBERG. Mr. President, I rise today to introduce a resolution on an important human rights issue in the Russian Federation: freedom of the press. This resolution was introduced in the House yesterday by Congressmen GILMAN and LANTOS and Helsinki Commission Chairman CHRIS SMITH, who share my concern for human rights around the globe.

This resolution expresses the concern of the Congress over the treatment of the Russian media by the government of Russia. This treatment has included increased intimidation, manipulation, and scare tactics. Most recently, Vladimir Gusinsky, owner of the principal independent television station in Russia, was arrested and the offices of Media Most were searched without due process.

The media in Russia, even today, is still mostly state-owned. Of the large printing and publishing houses, newspaper distribution companies, nationwide television frequencies, and the broadcasting facilities that have been privatized at all, the government still maintains an interest and some measure of control over many of them. Such control has reportedly been used for political ends in recent parliamentary and presidential elections in Russia.

It is imperative for the future of democracy in Russia to maintain a free and independent media. A free press is essential to achieving stability in Russia and a government that is accountable to the rule of law. Such manipulation and intimidation tactics that have been employed by the Russian Government in recent weeks contradict the democratic values that we hope Russia will embrace.

Mr. President, I hope my colleagues will join me in support of this resolution to express our support for press freedom in Russia and our concern over its infringement.

AMENDMENTS SUBMITTED

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

WYDEN AMENDMENT NO. 3433

(Ordered to lie on the table.)

Mr. WYDEN submitted an amendment intended to be proposed by him to the bill (H.R. 4475) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2001, and for other purposes; as follows:

On page 45, line 23, before the period at the end insert the following: ": *Provided*, That the funds made available under this heading shall be used by the Inspector General (1) to continue to review airline customer service practices with respect to providing consumers access to the lowest available airfare, information regarding overbooking, and all other matters with respect to which airlines have entered into voluntary customer service commitments; (2) to undertake an inquiry into whether mergers in the airline industry have caused or may cause customer service to deteriorate and whether legislation should be enacted to require that customer service be a factor in the merger review process for airlines; (3) to review the reasons for increases in flight delays, with specific reference to whether infrastructure issues or procedures utilized by the airline industry and the Federal Aviation Administration are contributing to the delays; (4) to review the airline ticket distribution system, and changes in the system, including the proposed Internet joint venture known as "Orbitz" and the impact such changes may have on airline competition and consumers; (5) to review whether "Orbitz" would be, or should be, subject to Department of Transportation regulations on airline ticket computer reservation systems; and (6) to report findings and recommendations for reform resulting from these reviews and inquiries to the Committees on Appropriations of the Senate and the House of Representatives, the Committee on Commerce, Science and Transportation of the Senate, and the Committee on Transportation and Infrastructure of the House of Representatives by December 31, 2000, and again thereafter when the Inspector General determines it appropriate to reflect the emergence of significant additional findings and recommendations".

VOINOVICH (AND OTHERS) AMENDMENT NO. 3434

Mr. VOINOVICH (for himself, Mr. CLELAND, Mr. ROTH, Mr. MOYNIHAN, Mr. LAUTENBERG, and Mr. JEFFORDS) proposed an amendment to the bill H.R. 4475, supra; as follows:

At the appropriate place in title III, insert the following:

SEC. 3___. FUNDING FLEXIBILITY AND HIGH SPEED RAIL CORRIDORS.

(a) ELIGIBILITY OF PASSENGER RAIL FOR HIGHWAY FUNDING.—

(1) NATIONAL HIGHWAY SYSTEM.—Section 103(b)(6) of title 23, United States Code, is amended by adding at the end the following:

"(Q) Acquisition, construction, reconstruction, and rehabilitation of, and preventative maintenance for, intercity passenger rail facilities and rolling stock (including passenger facilities and rolling stock for transportation systems using magnetic levitation).".

(2) SURFACE TRANSPORTATION PROGRAM.—Section 133(b) of title 23, United States Code, is amended by inserting after paragraph (11) the following:

"(12) Capital costs for vehicles and facilities, whether publicly or privately owned, that are used to provide intercity passenger service by rail (including vehicles and facilities that are used to provide transportation systems using magnetic levitation).".

(3) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—Section 149(b) of title 23, United States Code, is amended in the first sentence—

(A) in paragraph (4), by striking "or" at the end;

(B) in paragraph (5), by striking the period at the end and inserting "; or"; and

(C) by adding at the end the following:

"(6) if the project or program will have air quality benefits through acquisition, construction, reconstruction, and rehabilitation of, and preventative maintenance for, intercity passenger rail facilities and rolling stock (including passenger facilities and rolling stock for transportation systems using magnetic levitation).".

(b) TRANSFER OF HIGHWAY FUNDS TO AMTRAK AND OTHER PUBLICLY-OWNED INTERCITY PASSENGER RAIL LINES.—Section 104(k) of title 23, United States Code, is amended—

(1) by redesignating paragraph (3) as paragraph (4);

(2) by inserting after paragraph (2) the following:

"(3) TRANSFER TO AMTRAK AND OTHER PUBLICLY-OWNED INTERCITY PASSENGER RAIL LINES.—Funds made available under this

title and transferred to the National Railroad Passenger Corporation or to any other publicly-owned intercity passenger rail line (including any rail line for a transportation system using magnetic levitation) shall be administered by the Secretary in accordance with subtitle V of title 49, except that the provisions of this title relating to the non-Federal share shall apply to the transferred funds.''; and

(3) in paragraph (4) (as redesignated by paragraph (1)), by striking ''paragraphs (1) and (2)'' and inserting ''paragraphs (1) through (3)''.

LEAHY AMENDMENT NO. 3435

(Ordered to lie on the table.)

Mr. LEAHY submitted an amendment intended to be proposed by him to the bill, H.R. 4475, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. EFFECTIVE DATE OF GRAMM-LEACH-BLILEY ACT PROVISIONS ON THE DISCLOSURE OF NONPUBLIC PERSONAL INFORMATION.

Section 510 of the Gramm-Leach-Bliley Act (15 U.S.C. 6810) is amended by striking ''except—'' and all that follows through the end and inserting the following: ''except that sections 504 and 506 shall become effective on the date of enactment of this Act.''.

REED AMENDMENTS NOS. 3436–3437

(Ordered to lie on the table.)

Mr. REED submitted two amendments intended to be proposed by him to the bill, H.R. 4475, supra, as follows:

AMENDMENT NO. 3436

On page 79, between lines 22 and 23, insert the following:

SEC. ___. (a) The total amount appropriated in title I for the Department of Transportation for the Federal Railroad Administration is increased by $10,000,000: *Provided,* That, such additional amount shall be available for Rhode Island Rail Development.

(b) The total amount appropriated in title I for the Federal Aviation Administration under the heading ''OPERATIONS'' for salaries and expenses is hereby reduced by $10,000,000.

AMENDMENT NO. 3437

On page 79, between lines 22 and 23, insert the following:

SEC. ___. Of the total amount appropriated for the Department of Transportation, $10,000,000 shall be available for Rhode Island Rail Development.

KOHL (AND OTHERS) NO. 3438

(Ordered to lie on the table.)

Mr. KOHL (for himself, Mr. ABRAHAM, Mr. DEWINE, and Mr. LEVIN) submitted an amendment intended to be proposed by them to the bill, H.R. 4475, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. (a) FINDINGS.—The Senate makes the following findings:

(1) The United States Coast Guard in 1999 saved approximately 3,800 lives in providing the essential service of maritime safety.

(2) The United States Coast Guard in 1999 prevented 111,689 pounds of cocaine and 28,872 pounds of marijuana from entering the United States in providing the essential service of maritime security.

(3) The United States Coast Guard in 1999 boarded more than 14,000 fishing vessels to check for compliance with safety and environmental laws in providing the essential service of the protection of natural resources.

(4) The United States Coast Guard in 1999 ensured the safe passage of nearly 1,000,000 commercial vessel transits through congested harbors with vessel traffic services in providing the essential service of maritime mobility.

(5) The United States Coast Guard in 1999 sent international training teams to help more than 50 countries develop their maritime services in providing the essential service national defense.

(6) Each year, the United States Coast Guard ensures the safe passage of more than 200,000,000 tons of cargo cross the Great Lakes including iron ore, coal, and limestone. Shipping on the Great Lakes faces a unique challenge because the shipping season begins and ends in ice anywhere from 3 to 15 feet thick. The ice-breaking vessel MACKINAW has allowed commerce to continue under these conditions. However, the productive life of the MACKINAW is nearing an end. The Coast Guard has committed to keeping the vessel in service until 2006 when a replacement vessel is projected to be in service, but to meet that deadline, funds must be provided for the Coast Guard in fiscal year 2001 to provide for the procurement of a multipurpose-design heavy icebreaker.

(7) Without adequate funding, the United States Coast Guard would have to radically reduce the level of service it provides to the American public.

(8) The allocation to the Committee on Appropriations of the Senate of funds available for the Department of Transportation and related agencies for fiscal year 2001 was $1,600,000,000 less than the allocation to the Committee on Appropriations of the House of Representatives of funds available for that purpose for that fiscal year. The lower allocation compelled the Subcommittee on Transportation of the Committee on Appropriations of the Senate to impose reductions on funds available for the Coast Guard, particularly amounts available for acquisitions, that may not have been imposed had a larger allocation been made. The difference between the amount of funds requested by the Coast Guard for the acquisition of the Great Lakes icebreaker and buoy tender and the amount made available by the Committee on Appropriations of the Senate for those acquisitions fails to reflect the high priority afforded by the Senate to those acquisitions, which are of critical national importance to commerce, navigation, and safety.

(9) Due to shortfalls in funds available for fiscal year 2000 and unexpected increases in fuel costs, the Commandant of the Coast Guard has announced reductions in critical operations of the Coast Guard by as much as 30 percent in some areas of the United States. If left unaddressed, these shortfalls may compromise the service provided by the Coast Guard to the public in all areas, including drug interdiction and migrant interdiction, aid to navigation, and fisheries management.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the committee of conference on the bill H.R. 4425 of the 106th Congress, making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2001, or any other appropriate committee of conference of the second session of the 106th Congress, should approve supplemental funding for the Coast Guard for fiscal year 2000 as soon as is practicable; and

(2) upon adoption of this bill by the Senate, the conferees of the Senate to the committee of conference on the bill H.R. 4475 of the 106th Congress, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2001, should—

(A) recede from their disagreement to the proposal of the conferees of the House of Representatives to the committee of conference on the bill H.R. 4475 with respect to funding for the Great Lakes icebreaker and buoy tender replacement program;

(B) provide adequate funds for operations of the Coast Guard in fiscal year 2001, including activities relating to drug and migrant interdiction and fisheries enforcement; and

(C) provide sufficient funds for the Coast Guard in fiscal year 2001 to correct the 30 percent reduction in funds for operations of the Coast Guard in fiscal year 2000.

COLLINS (AND SCHUMER) AMENDMENT NO. 3439

Ms. COLLINS (for herself, Mr. SCHUMER, and Mr. ABRAHAM) proposed an amendment to the bill, H.R. 4475, supra; as follows:

At the appropriate place in title III, insert the following:

SEC. 3___. SENSE OF THE SENATE CONCERNING USE OF THE STRATEGIC PETROLEUM RESERVE.

(a) FINDINGS.—The Senate finds that—

(1) since 1999, gasoline prices have risen from an average of 99 cents per gallon to $1.63 per gallon (with prices exceeding $2.00 per gallon in some areas), causing financial hardship to Americans across the country;

(2) the Secretary of Energy has authority under existing law to fill the Strategic Petroleum Reserve through time exchanges (''swaps''), by releasing oil from the Strategic Petroleum Reserve in times of supply shortage in exchange for the infusion of more oil into the Strategic Petroleum Reserve at a later date;

(3) the Organization of Petroleum Exporting Countries (''OPEC'') has created a worldwide supply shortage by choking off petroleum production through anticompetitive means;

(4) at its meetings beginning on March 27, 2000, OPEC failed to increase petroleum production to a level sufficient to rebuild depleted inventories; and

(5) the Secretary of Energy should implement a swap plan at times, such as the present, when prices of fuel have risen because of cutbacks in the production of crude oil.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that if the President determines that a release of oil from the Strategic Petroleum Reserve under swapping arrangements would not jeopardize national security, the Secretary of Energy should, as soon as is practicable, use the authority under existing law to release oil from the Strategic Petroleum Reserve in an economically feasible way by means of swapping arrangements providing for future increases in Strategic Petroleum Reserve reserves.

MCCAIN AMENDMENT NOS. 3440–3441

(Ordered to lie on the table.)

Mr. MCCAIN submitted two amendments intended to be proposed by him to the bill, H.R. 4475, supra; as follows:

AMENDMENT NO. 3440

At the appropriate place, insert the following:

SEC. . ADDITIONAL SANCTION FOR REVENUE DIVERSION.

Except as necessary to ensure public safety, no amount appropriated under this or

any other Act may be used to fund any airport-related grant for the Los Angeles International Airport made to the City of Los Angeles, or any inter-governmental body of which it is a member, by the Department of Transportation or the Federal Aviation Administration, until the Administration—

(1) concludes the investigation initiated in Docket 13–95–05; and

(2) either—

(A) takes action, if necessary and appropriate, on the basis of the investigation to ensure compliance with applicable laws, policies, and grant assurances regarding revenue use and retention by an airport; or

(B) determines that no action is warranted.

AMENDMENT NO. 3441

At the appropriate place insert the following:

SEC. . CAP AGREEMENT FOR BOSTON "BIG DIG".

No funds appropriated by this Act may be used by the Department of Transportation to cover the administrative costs (including salaries and expenses of officers and employees of the Department) to authorize project approvals or advance construction authority for the Central Artery/Third Harbor Tunnel project in Boston, Massachusetts have entered into a written agreement that limits the total Federal contribution to the project to not more than $8.549 billion.

FEINGOLD AMENDMENT NO. 3442

(Ordered to lie on the table.)

Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill, H.R. 4475, supra; as follows:

At the end of page 37, line 8, add the following, and renumber subsequent sections accordingly: ''*Provided further,* That of the funds made available under this heading, a portion shall be used to investigate, in coordination with the Federal Trade Commission: (1) unfair or deceptive practices and unfair methods of competition in the production, distribution and sale of reformulated gasoline in the Upper Midwest markets; (2) corollary changes within the production, distribution, and sale of gasoline in Upper Midwest counties not required to use reformulated fuels.''

At the end of page 52, line 22, add the following new section:

''SEC. 342. With the funds provided in this Act, the Secretary may initiate an investigation into the feasibility and desirability of establishing a regional reformulated gasoline reserve in the Upper Midwest for use when prices in the United States rise sharply because of anticompetitive activity or during a supply shortage.''

TORRICELLI AMENDMENTS NOS. 3443–3445

(Ordered to lie on the table.)

Mr. TORRICELLI submitted three amendments intended to be proposed by him to the bill, H.R. 4475, supra; as follows:

AMENDMENT NO. 3443

At the appropriate place in title III, insert the following:

SEC. 3___. PARKING SPACE FOR TRUCKS.

(a) FINDINGS.—Congress finds that—

(1) in 1998, there were 5,374 truck-related highway fatalities and 4,935 trucks involved in fatal crashes;

(2) a Special Investigation Report published by the National Transportation Safety Board in May 2000 found that research conducted by the National Highway Traffic Safety Administration suggests that truck driver fatigue is a contributing factor in as many as 30 to 40 percent of all heavy truck accidents;

(3) a 1995 Transportation Safety Board Study found that the availability of parking for truck drivers can have a direct impact on the incidence of fatigue-related accidents;

(4) a 1996 study by the Federal Highway Administration found that there is a nationwide shortfall of 28,400 truck parking spaces in public rest areas, a number expected to reach 39,000 by 2005;

(5) a 1999 survey conducted by the Owner-Operator Independent Drivers Association found that over 90 percent of its members have difficulty finding parking spaces in rest areas at least once a week; and

(6) because of overcrowding at rest areas, truckers are increasingly forced to park on the entrance and exit ramps of highways, in shopping center parking lots, at shipper locations, and on the shoulders of roadways, thereby increasing the risk of serious accidents.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress and the President should take immediate steps to address the lack of safe available commercial vehicle parking along Interstate highways for truck drivers.

AMENDMENT NO. 3444

At the appropriate place in title III, insert the following:

SEC. 3___. PARKING SPACE FOR TRUCKS.

(a) FINDINGS.—Congress finds that—

(1) in 1998, there were 5,374 truck-related highway fatalities and 4,935 trucks involved in fatal crashes;

(2) a Special Investigation Report published by the National Transportation Safety Board in May 2000 found that research conducted by the National Highway Traffic Safety Administration suggests that truck driver fatigue is a contributing factor in as many as 30 to 40 percent of all heavy truck accidents;

(3) a 1995 Transportation Safety Board Study found that the availability of parking for truck drivers can have a direct impact on the incidence of fatigue-related accidents;

(4) a 1996 study by the Federal Highway Administration found that there is a nationwide shortfall of 28,400 truck parking spaces in public rest areas, a number expected to reach 39,000 by 2005;

(5) a 1999 survey conducted by the Owner-Operator Independent Drivers Association found that over 90 percent of its members have difficulty finding parking spaces in rest areas at least once a week; and

(6) because of overcrowding at rest areas, truckers are increasingly forced to park on the entrance and exit ramps of highways, in shopping center parking lots, at shipper locations, and on the shoulders of roadways, thereby increasing the risk of serious accidents.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress and the President should take immediate steps to address the lack of safe available commercial vehicle parking along Interstate highways for truck drivers.

AMENDMENT NO. 3445

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

SEC. ___. STUDY OF ADVERSE EFFECTS OF IDLING TRAIN ENGINES.

(a) STUDY REQUIRED.—The Secretary of Transportation shall provide under section 150303 of title 36, United States Code, for the National Academy of Sciences to conduct a study on noise impacts of railroad operations, including idling train engines on the quality of life of nearby communities, the quality of the environment (including consideration of air pollution), and safety, and to submit a report on the study to the Secretary. The report shall include recommendations for mitigation to combat rail noise, standards for determining when noise mitigation is required, needed changes in Federal law to give Federal, State, and local governments flexibility in combating railroad noise, and possible funding mechanisms for financing mitigation projects.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of Transportation shall transmit to Congress the report of the National Academy of Sciences on the results of the study under subsection (a).

MURKOWSKI AMENDMENT NO. 3446

(Ordered to lie on the table.)

Mr. MURKOWSKI submitted an amendment intended to be proposed by him to the bill, H.R. 4475, supra; as follows:

On page 79 of the substituted original text, between lines 22 and 23, insert the following:

SEC. . The amount appropriated by title I for the Department of Transportation for the Federal Railroad Administration under the heading ''RAILROAD RESEARCH AND DEVELOPMENT'' is hereby increased by $6,000,000: *Provided,* That such additional amount to be available for a joint United States-Canada commission to study the feasibility of connecting the rail system in Alaska to the North American continental rail system: *Provided further,* That, notwithstanding any other provision of this Act, such additional amount shall remain available until expended.

DODD AMENDMENT NO. 3447

(Ordered to lie on the table.)

Mr. DODD submitted an amendment intended to be proposed by him to the bill, H.R. 4475, supra; as follows:

On page 79 of the substituted original text, between lines 22 and 23, insert the following:

SEC. ___. From the amount appropriated in I for the Department of Transportation for the Federal Transit Administration under the heading ''CAPITAL INVESTMENT GRANTS'' for new fixed guideway systems, funds shall be available for the Danbury–Norwalk Rail Line Re-Electrification to re-electrify the rail line between Danbury, Connecticut, and Norwalk, Connecticut.

ABRAHAM (AND OTHERS) AMENDMENT NO. 3448

Ordered to lie on the table.)

Mr. ABRAHAM (for himself, Mr. KOHL, Mr. DEWINE, and Mr. LEVIN) submitted an amendment intended to be proposed by them to the bill, H.R. 4475, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. (a) FINDINGS.—The Senate makes the following findings:

(1) The United States Coast Guard in 1999 saved approximately 3,800 lives in providing the essential service of maritime safety.

(2) The United States Coast Guard in 1999 prevented 111,689 pounds of cocaine and 28,872 pounds of marijuana from entering the United States in providing the essential service of maritime security.

(3) The United States Coast Guard in 1999 boarded more than 14,000 fishing vessels to check for compliance with safety and environmental laws in providing the essential

service of the protection of natural resources.

(4) The United States Coast Guard in 1999 ensured the safe passage of nearly 1,000,000 commercial vessel transits through congested harbors with vessel traffic services in providing the essential service of maritime mobility.

(5) The United States Coast Guard in 1999 sent international training teams to help more than 50 countries develop their maritime services in providing the essential service national defense.

(6) Each year, the United States Coast Guard ensures the safe passage of more than 200,000,000 tons of cargo cross the Great Lakes including iron ore, coal, and limestone. Shipping on the Great Lakes faces a unique challenge because the shipping season begins and ends in ice anywhere from 3 to 15 feet thick. The ice-breaking vessel MACKINAW has allowed commerce to continue under these conditions. However, the productive life of the MACKINAW is nearing an end. The Coast Guard has committed to keeping the vessel in service until 2006 when a replacement vessel is projected to be in service, but to meet that deadline, funds must be provided for the Coast Guard in fiscal year 2001 to provide for the procurement of a multipurpose-design heavy icebreaker.

(7) Without adequate funding, the United States Coast Guard would have to radically reduce the level of service it provides to the American public.

(8) The allocation to the Committee on Appropriations of the Senate of funds available for the Department of Transportation and related agencies for fiscal year 2001 was $1,600,000,000 less than the allocation to the Committee on Appropriations of the House of Representatives of funds available for that purpose for that fiscal year. The lower allocation compelled the Subcommittee on Transportation of the Committee on Appropriations of the Senate to impose reductions on funds available for the Coast Guard, particularly amounts available for acquisitions, that may not have been imposed had a larger allocation been made. The difference between the amount of funds requested by the Coast Guard for the acquisition of the Great Lakes icebreaker and buoy tender and the amount made available by the Committee on Appropriations of the Senate for those acquisitions fails to reflect the high priority afforded by the Senate to those acquisitions, which are of critical national importance to commerce, navigation, and safety.

(9) Due to shortfalls in funds available for fiscal year 2000 and unexpected increases in fuel costs, the Commandant of the Coast Guard has announced reductions in critical operations of the Coast Guard by as much as 30 percent in some areas of the United States. If left unaddressed, these shortfalls may compromise the service provided by the Coast Guard to the public in all areas, including drug interdiction and migrant interdiction, aid to navigation, and fisheries management.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the committee of conference on the bill H.R. 4425 of the 106th Congress, making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2001, or any other appropriate committee of conference of the second session of the 106th Congress, should approve supplemental funding for the Coast Guard for fiscal year 2000 as soon as is practicable; and

(2) upon adoption of this bill by the Senate, the conferees of the Senate to the committee of conference on the bill H.R. 4475 of the 106th Congress, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2001, should—

(A) recede from their disagreement to the proposal of the conferees of the House of Representatives to the committee of conference on the bill H.R. 4475 with respect to funding for the Great Lakes icebreaker and buoy tender replacement program;

(B) provide adequate funds for operations of the Coast Guard in fiscal year 2001, including activities relating to drug and migrant interdiction and fisheries enforcement; and

(C) provide sufficient funds for the Coast Guard in fiscal year 2001 to correct the 30 percent reduction in funds for operations of the Coast Guard in fiscal year 2000.

LEVIN AMENDMENTS NOS. 3449–3450

(Ordered to lie on the table.)

Mr. LEVIN submitted two amendments intended to be proposed by him to the bill, H.R. 4475, supra; as follows:

AMENDMENT NO. 3449

On page 79 of the substituted original text, between lines 22 and 23, insert the following:

SEC. ___. Of the amount appropriated in title I for the Department of Transportation for the Federal Transit Administration under the heading ''CAPITAL INVESTMENT GRANTS'' to carry out section 5309 of title 49, United States Code, $250,000 shall be available to the City of Traverse City for the development of a comprehensive transportation plan for Traverse City, Michigan.

AMENDMENT NO. 3450

At the appropriate place in title III, insert the following:

SEC. 3___. HIGH SPEED RAILWAY CORRIDOR, MICHIGAN.

In expending funds set aside under section 104(d)(2)(A) of title 23, United States Code, the Secretary of Transportation shall use not less than $10,000,000 to eliminate hazards of railway-highway crossings on a high speed railway corridor in the State of Michigan.

COCHRAN AMENDMENT NO. 3451

Mr. SHELBY (for Mr. COCHRAN) proposed an amendment to the bill H.R. 4475, supra; as follows:

At the appropriate place in bill add the following new section:

SEC. . For the purpose of constructing an underpass to improve access and enhance highway/rail safety and economic development along Star Landing Road in DeSoto, County, Mississippi, the State of Mississippi may use funds previously allocated to it under the transportation enhancement program, if available.

BAUCUS (AND BURNS) AMENDMENT NO. 3452

Mr. LAUTENBERG (for Mr. BAUCUS (for himself and Mr. BURNS)) proposed an amendment to the bill H.R. 4475, supra; as follows:

Section 1214 of Public Law No. 105–178, as amended, is further amended by adding a new subsection to read as follows:

(s) Notwithstanding sections 117(c) and (d) of title 23, United States Code, for project number 1646 in section 1602 of Public Law No. 105–178:

(1) The non-Federal share of the project may be funded by Federal funds from an agency or agencies not part of the United States Department of Transportation; and

(2) The Secretary shall not delegate responsibility for carrying out the project to a State.

NICKLES AMENDMENT NO. 3453

Mr. SHELBY (for Mr. NICKLES) proposed an amendment to the bill H.R. 4475, supra; as follows:

In lieu of section 343 on page 76, insert a new section 343 as follows:

SEC. 343. CONVEYANCE OF AIRPORT PROPERTY TO AN INSTITUTION OF HIGHER EDUCATION IN OKLAHOMA.

(a) IN GENERAL.—Notwithstanding any other provision of law, including the Surplus Property Act of 1944 (58 Stat. 765, chapter 479; 50 U.S.C. App. 1622 et seq.), the Secretary of Transportation (or the appropriate Federal officer) may waive, without charge, any of the terms contained in any deed of conveyance described in subsection (b) that restrict the use of any land described in such a deed that, as of the date of enactment of this Act, is not being used for the operation of an airport or for air traffic. A waiver made under the preceding sentence shall be deemed to be consistent with the requirements of section 47153 of title 49, United States Code.

(b) DEED OF CONVEYANCE.—A deed of conveyance referred to in subsection (a) is a deed of conveyance issued by the United States before the date of enactment of this Act for the conveyance of lands to a public institution of higher education in Oklahoma.

(c) USE OF LANDS SUBJECT TO WAIVER.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the lands subject to a waiver under subsection (a) shall not be subject to any term, condition, reservation, or restriction that would otherwise apply to that land as a result of the conveyance of that land by the United States to the institution of higher education.

(2) USE OF LANDS.—An institution of higher education that is issued a waiver under subsection (a) may use revenues derived from the use, operation, or disposal of that land only for weather-related and educational purposes that include benefits for aviation.

(d) GRANTS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, if an institution of higher education that is subject to a waiver under subsection (a) received financial assistance in the form of a grant from the Federal Aviation Administration or a predecessor agency before the date of enactment of this Act, then the Secretary of Transportation may waive the repayment of the outstanding amount of any grant that the institution of higher education would otherwise be required to pay.

(2) ELIGIBILITY TO RECEIVE SUBSEQUENT GRANTS.—Nothing in paragraph (1) shall affect the eligibility of an institution of higher education that is subject to that paragraph from receiving grants from the Secretary of Transportation under chapter 471 of title 49, United States Code, or under any other provision of law relating to financial assistance provided through the Federal Aviation Administration.

SHELBY AMENDMENT NO. 3454

Mr. SHELBY (for himself, Mr. REID, and Mr. LEAHY) proposed an amendment to the bill H.R. 4475, supra; as follows:

At the appropriate place, insert

SEC. . Hereafter, the New Jersey Transit commuter rail station to be located at the intersection of the Main/Bergen line and the Northeast Corridor line in the State of New Jersey shall be known and designated as the ''Frank R. Lautenberg Transfer Station''; *Provided*; That the Secretary of Transportation shall ensure that any and all applicable reference in law, map, regulation, documentation, and all appropriate signage shall

make reference to the ''Frank R. Lautenberg Transfer Station''.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

SHELBY AMENDMENTS NOS. 3455–3456

(Ordered to lie on the table.)

Mr. SHELBY submitted two amendments intended to be proposed by him to the bill (S. 2549) to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; as follows:

AMENDMENT NO. 3455

On page 394, line 10, insert '', in cooperation with the Director of Central Intelligence,'' after ''The Secretary of Defense''.

On page 394, line 25, insert '', in cooperation with the Director of Central Intelligence,'' after ''The Secretary of Defense''.

AMENDMENT NO. 3456

On page 596, beginning on line 3, strike ''waiver is in the national security interests of the United States'' and insert ''waiver is vital to the national security interests of the United States and certifies such determination to Congress''.

On page 597, strike line 3 and insert the following; is based.

''(C) The authority under paragraph (2) to waive the applicability of paragraph (1) to a covered person shall expire on September 30, 2001.''.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mrs. COLLINS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, June 15, 2000 at 9:30 a.m., in open and closed session to receive testimony on security failures at Los Alamos National Laboratory.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mrs. COLLINS. Mr. President, I ask unanimous consent that the Committee on Commerce, Science and Transportation be authorized to meet on Thursday, June 15, 2000 at 9:30 a.m. on the nomination of Del Won to be a Federal Maritime Commission and immediately following the nomination hearing the Committee will hold an executive session on pending Committee business.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mrs. COLLINS. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, June 15 at 9:30 a.m. to conduct a hearing. The committee will receive testimony on S. 2557, the National Energy Security Act of 2000. The bill would protect the energy security of the United States and decrease America's dependency on foreign oil sources to 50 percent by the year 2010 by enhancing the use of renewable energy sources, improving energy efficiencies, and increasing domestic energy supplies, mitigating the effect of increases in energy prices on the American consumer, including the poor and the elderly, and for other purposes.

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

COMMITTEE ON FOREIGN RELATIONS

Mrs. COLLINS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 15, 2000 at 10:30 a.m. to hold a hearing (agenda attached).

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

COMMITTEE ON THE JUDICIARY

Mrs. COLLINS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on Thursday, June 15, 2000, at 2:00 p.m., in SD226.

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

COMMITTEE ON THE JUDICIARY

Mrs. COLLINS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, June 15, 2000, at 10:00 a.m., in SD226.

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

SUBCOMMITTEE ON CLEAN AIR, WETLANDS, PRIVATE PROPERTY, AND NUCLEAR SAFETY

Mrs. COLLINS. Mr. President, I ask consent that the Subcommittee on Clean Air, Wetlands, Private Property, and Nuclear Safety be authorized to meet during the session of the Senate on Thursday, June 15, at 9:30 a.m., to conduct a hearing to receive testimony on EPA's proposed Highway Diesel Fuel Sulfur Regulations.

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

SUBCOMMITTEE ON THE NATIONAL PARKS, HISTORIC PRESERVATION AND RECREATION

Mrs. COLLINS. Mr. President, I ask unanimous consent that the Subcommittee on National Parks, Historic Preservation and Recreation be authorized to meet during the session of the Senate on Thursday, June 15, at 2:30 p.m. to conduct an oversight hearing. The subcommittee will receive testimony on the United States General Accounting Office March 2000 report entitled ''Need to Address Management problems that Plaque the Concessions Program''.

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

PRIVILEGES OF THE FLOOR

Mr. STEVENS. Mr. President, I ask unanimous consent that Garry Stacy Banks, Graehl Brooks, Andrew Compton, Sarah Doner, Ethan Falatko, Kaleb Froehlich, Griffith Hazen, Jennifer Loesch, Erika Logan, Ida Olson, Carrie Pattison, Daniel Poulson, Karl Schaefermeyer, Jennafer Tryck, and Jensen Young, Alaskan students participating in my summer intern program, be granted floor privileges in order to accompany me on my daily schedule through 30 June 2000. Only two interns will accompany me to the floor at any particular time.

RECOGNIZING THE 225TH BIRTHDAY OF THE UNITED STATES ARMY

Mr. ABRAHAM. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.J. Res. 101, and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the title of the resolution by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 101) recognizing the 225th birthday of the United States Army.

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. ABRAHAM. Mr. President, I ask unanimous consent the joint resolution be read the third time and passed, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements be printed in the RECORD.

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

The joint resolution (H.J. Res. 101) was read the third time and passed.

The preamble was agreed to.

MEASURE READ FOR THE FIRST TIME—S. 2742

Mr. ABRAHAM. Mr. President, I understand that 2742 is at the desk, and I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the bill for the first time.

The assistant legislative clerk read as follows:

A bill (S. 2742) to amend the Internal Revenue Code of 1986 to increase disclosure for certain political organizations exempt from tax under section 527 and section 501(c), and for other purposes.

Mr. ABRAHAM. Mr. President, I now ask for its second reading, and I object to my own request.

The PRESIDING OFFICER. The objection is heard.

The bill will be read the second time on the next legislative day.

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the President pro

tempore, pursuant to Public Law 100–702, appoints Richard D. Casey of South Dakota to the board of the Federal Judicial Center Foundation.

MEASURE INDEFINITELY POSTPONED—S. 2720

Mr. ABRAHAM. Mr. President, I ask unanimous consent that S. 2720 be indefinitely postponed.

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

ORDERS FOR FRIDAY, JUNE 16, 2000 AND MONDAY, JUNE 19, 2000

Mr. ABRAHAM. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 a.m. on Friday, June 16.

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

Mr. ABRAHAM. I further ask on Friday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the conference report to accompany S. 761, the digital signatures legislation under the previous order.

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

Mr. ABRAHAM. Mr. President, for the information of all Senators, the Senate will convene at 9:30 a.m. tomorrow and will immediately begin the vote on adoption of the conference report to accompany the digital signatures legislation. Following the vote and the confirmation of the judges, as under the order, I ask consent that the Senate then begin a period of morning business, with Senators speaking for up to 5 minutes each with the following exceptions: Senator CRAIG or his designee, the first hour following the vote; Senator DODD or his designee, 30 minutes; Senator GRAMS or his designee, 10 minutes; Senator MURRAY or her designee, 10 minutes.

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

Mr. ABRAHAM. I also ask consent when the Senate completes its business on Friday, it stand in adjournment until 1 p.m. on Monday under the terms as outlined for Friday's reconvening.

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

Mr. ABRAHAM. I further ask consent on Monday there be a period of morning business until 3 p.m., with the time between 1 and 2 p.m. under the control of Senator DURBIN or his designee, and the time between 2 and 3 p.m. under the control of Senator THOMAS or his designee.

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

PROGRAM FOR MONDAY AND TUESDAY

Mr. ABRAHAM. Mr. President, as a reminder, on Monday the Senate will resume consideration of the Department of Defense authorization bill at 3 p.m., with Senators KENNEDY and HATCH recognized to offer their amendments regarding hate crimes. Under the order, those amendments will be debated simultaneously.

On Tuesday, Senator DODD will be recognized to offer his amendment regarding a Cuba commission, with up to 2 hours of debate on that amendment.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. ABRAHAM. If there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:55 p.m., adjourned until Friday, June 16, 2000, at 9:30 a.m.