

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 1990

JULY 25 (legislative day JANUARY 3), 1989.—Ordered to be printed

Mr. BYRD, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.R. 2788]

The Committee on Appropriations, to which was referred the bill (H.R. 2788) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1990, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes recommended:

AMOUNTS IN NEW BUDGET (OBLIGATIONAL) AUTHORITY, FISCAL YEAR 1990	
Amount of bill passed by House	\$11,063,887,000
Amount of decrease by Senate	- 154,662,000
Total of bill as reported to Senate	10,909,225,000
Estimates considered by House	8,617,681,000
Estimates considered by Senate	8,741,563,000
Over the budget estimate, 1990	+ 2,167,662,000
Over appropriations, 1989	+ 663,283,000

(1)

	Budget estimate	Committee recommendation	Change
Compliance.....	\$11,674,000	\$11,674,000	
Fuels conversion.....	362,000		-\$362,000
Natural gas and electricity operations.....	2,306,000		-2,306,000
Program administration.....	761,000	761,000	
Office of Hearings and Appeals.....	5,243,000	5,865,000	+622,000
Total, economic regulation.....	20,346,000	18,300,000	-2,046,000

EMERGENCY PREPAREDNESS

Appropriations, 1989.....	\$6,154,000
Budget estimate, 1990.....	6,641,000
House allowance.....	6,641,000
Committee recommendation.....	6,641,000

The Committee recommends an appropriation of \$6,641,000, the same as both the budget estimate and the House allowance.

STRATEGIC PETROLEUM RESERVE

Appropriations, 1989.....	\$178,421,000
Budget estimate, 1990.....	194,999,000
House allowance.....	194,999,000
Committee recommendation.....	194,999,000

The Committee recommends an appropriation for the strategic petroleum reserve of \$194,999,000, which is the same as both the budget estimate and the House allowance. Within the allowance, \$181,877,000 is provided for development of storage facilities and \$13,122,000 is included for program management.

SPR PETROLEUM ACCOUNT

Appropriations, 1989.....	\$242,000,000
Budget estimate, 1990.....	36,407,000
House allowance.....	319,407,000
Committee recommendation:	
Fiscal year 1990.....	227,820,000
Fiscal year 1991.....	79,625,000

For petroleum acquisition and transportation, the Committee recommends a fiscal year 1990 appropriation of \$227,820,000, which is an increase of \$192,418,000 above the budget estimate and a decrease of \$91,587,000 below the House level.

The recommendation for petroleum acquisition, \$227,820,000, together with an advance appropriation of \$91,555,000 made in fiscal year 1989, is expected to support a fill rate of 50,000 barrels per day at an assumed per barrel price of \$17.50. The administration's request would support a fill rate of something less than 22,000 barrels per day. Additional funding above the administration's request has been included because the Committee has not concurred in the administration's collateral proposal to sell the naval petroleum reserves and to use a portion of those proceeds to purchase oil for the SPR. The Committee's recommendation will permit the Department to attain a total petroleum reserve volume of approximately 600 million barrels by the end of the fiscal year 1990. This level is

equal to less than a 60-day equivalent of the Energy Information Administration's projected import level for the turn of the century.

While the Committee has substantially increased the fill rate above the administration's proposal, tight budgetary constraints have precluded a recommendation to fill the reserve at the 75,000 barrel-per-day rate proposed by the House. The Committee, however, has retained bill language proposed by the House which would make any receipts from the naval petroleum reserves that are in excess of the \$510,000,000, anticipated in the President's budget estimate, available for additional petroleum purchases for the SPR.

The Committee's recommendation also includes an advance appropriation of \$79,625,000 for petroleum and purchases that will be delivered in the first quarter of fiscal year 1991. This appropriation is necessary to continue oil deliveries to the reserve on an orderly schedule.

ENERGY INFORMATION ADMINISTRATION

Appropriations, 1989.....	\$62,856,000
Budget estimate, 1990.....	65,232,000
House allowance.....	65,232,000
Committee recommendation.....	65,232,000

The Committee recommends an appropriation of \$65,232,000, the same as the budget estimate and the House allowance.

The Committee agrees with language in the bill added by the House to extend the availability of \$1,000,000 within this account until September 30, 1991. Use of these funds is limited to the ADP services program activity, and will permit the Energy Information Administration to maintain uninterrupted operation of its vital information services.

The Committee further agrees with language in the bill added by the House to extend the availability of \$2,000,000 within this account until expended for the triennial end use consumption surveys, each of which spans 4 years from start to finish.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

INDIAN HEALTH SERVICES

Appropriations, 1989.....	\$1,020,106,000
Budget estimate, 1990.....	1,088,399,000
House allowance.....	1,189,390,000
Committee recommendation.....	1,160,093,000

The Committee recommends an appropriation of \$1,160,093,000, an increase of \$76,694,000 over the budget estimate, \$29,237,000 below the House level, and \$139,987,000 above the fiscal year 1989 appropriation. The Committee remains concerned about the provision of basic health care services for Indians. Backlogs in a number of IHS program areas have resulted in attention to only the most critical of health emergencies. Recommended allowances are contained in the following table:

	Budget estimate	Committee recommendation	Change
Hospital and health clinic programs	\$611,941,000	\$673,378,000	+\$61,437,000
Dental health	33,148,000	33,356,000	+208,000
Mental health	13,582,000	20,513,000	+6,931,000
Alcoholism	32,935,000	32,935,000	
Maintenance and repair		12,177,000	+12,177,000
Contract care	226,656,000	238,656,000	+12,000,000
Sanitation	25,759,000	25,895,000	+136,000
Public health nursing	14,975,000	15,215,000	+239,000
Health education	4,843,000	4,883,000	+40,000
Community health representatives	30,978,000	30,978,000	
Immunization	438,000	1,141,000	+703,000
Urban health projects	10,164,000	13,664,000	+3,500,000
Indian health manpower	8,161,000	9,661,000	+1,500,000
Tribal management	2,594,000	2,594,000	
Direct operations	45,047,000	45,047,000	
Facilities	22,117,000		-22,117,000
Total, Indian Health Services	1,083,399,000	1,160,093,000	+76,694,000

The Committee has not concurred in proposed bill language that would establish separate appropriation accounts for tribal and Federal health administration. The Committee remains unpersuaded that separate appropriation accounts will foster more tribal contracting, and concurs with the House that sufficient funds to enable tribes to manage their health programs will do more to fulfill the objectives of self-determination.

In support of these objectives, the Committee directs IHS to include, as part of the annual budget submission, a tabular display which outlines the self-determination activities to implement the Self-Determination Act, as amended (Public Law 93-638 and Public Law 100-472). This chart should identify, by area and program activity, the level of appropriations in the previous fiscal year, the current fiscal year, and an estimate of the direct and indirect costs for the budget year.

With respect to the proposed eligibility regulations, the Committee concurs in the House language to extend deferral of implementation until a budget is submitted and enacted which reflects the increased costs associated with the regulations.

The Committee also wishes to reiterate its concerns to the Indian Health Service regarding the provision of accurate and timely reporting of information related to the Indian Health Service budget. This includes provision of reliable estimates and explanations of program shortfalls, unanticipated needs, and other emergencies. The Committee continues to be frustrated by the difficulties faced by IHS in submitting requested information in a timely manner. During consideration of the fiscal year 1989 appropriation for IHS, several reports were requested by the Committee. Most of these were not submitted until well past the specified due date. The Committee did not receive the report on the Alaska Community Health Aide Program, which was due on February 1, 1989, until July 7, 1989.

Hospitals and health clinics.—The Committee recommends \$671,878,000, an increase of \$59,937,000 over the request. The recommended level is \$6,740,000 less than the House allowance. The

Committee concurs in the House increase of \$1,748,000 for staffing at new facilities at Sacaton (Hu Hu Kam Hospital), AZ; Fort Thompson, SD; Wolf Point, MT; and Toppenish, WA. The Committee fully expects the administration to include full year annualization of these staffing and operating costs in the fiscal year 1991 budget request. The Committee has also included \$600,000 for newly recognized tribes, who will be receiving IHS services in fiscal year 1990. In the future, IHS should include funding and data on the program requirements of newly recognized tribes, rather than taking the funding from existing programs. Failure to do so only exacerbates further the health service backlog.

The Committee is concerned about the level of funding distributed to the programs which comprise the hospital and health clinics activity. Accordingly, the Service should continue to prepare explanatory tables displaying more detail regarding the funding included under the hospitals and health clinics line item.

The Committee directs IHS to include further detail of the funding included under general clinical care in the fiscal year 1990 budget justification (p. 81). In total, caseload information and staffing requirements should be provided in support of the funding request. A chart of the Medicare-Medicaid reimbursements collected by area should also be included in the budget submission.

Within the total recommended, an increase of \$3,150,000 is provided to fund fully operation of the regional substance abuse youth treatment centers authorized in recent antidrug legislation. As proposed by the House, the Committee has included an additional \$7,539,000 for increased salary costs associated with special pay acts. IHS should report to the committee, by May 1, 1990, regarding the outcome of its mid year review of the operating plan for fiscal year 1990. This report should also include a program by program explanation of the distribution of the impact of absorbing all pay increases. This distribution should explain the dollars absorbed within each budget line item, as well as an explanatory statement as to the programmatic impact, such as staffing reductions, of absorbing these costs. These increases are offset partially by a decrease of \$3,100,000 related to the proposed expansion of the information resource management program. No additional positions are to be hired related to this initiative since the funds are not provided.

Additional funding of \$7,000,000 is provided to continue addressing program shortfalls in the Alaska Community Health Aide Program. The Committee understands that both higher salary levels for existing staff and additional staff to provide relief for over-worked community health aides are necessary.

The Committee has included \$1,500,000 for five model diabetes centers and related costs, as authorized in section 204 of the Indian Health Care Improvement Act amendments. It is the Committee's understanding that at least \$200,000 of these funds will be made available to the Zuni Pueblo diabetes project in New Mexico.

The Committee intends that the budget justifications in future years include information on the incidence and prevalence of end-stage renal disease requiring dialysis and the associated costs, on an area-by-area basis.

The Committee has provided an additional \$10,000,000 to address needed medical supply and equipment requirements that have suffered due to inflationary cost increases. The Indian Health Service is directed to include, in the fiscal year 1991 and all future budget justifications, a report outlining intended equipment purchases for the fiscal year. The report should include a priority listing, by area, of the projected equipment purchases, by category, such as X-ray equipment, and other standard hospital equipment. The basis for determining these priorities should also be identified. The report should include a summary, by category, of the national plan. Separate, for inclusion in the budget report, the IHS should also prepare, for inclusion in the budget justification, a report on equipment priority needs, which distinguishes new and replacement equipment, by area. The age of equipment to be replaced should be identified. This report should also be summarized by category. The Committee does not believe that submission of a 3-inch, coded computer printout provides sufficient explanation of equipment needs.

In addition, IHS should report, as part of the budget justification, on management agreements that exist with other Federal agencies for the procurement of excess or surplus property or equipment, including an estimate of the anticipated equipment to be acquired through that avenue.

The Committee concurs in the House recommendation to fund directly through appropriated funds the indirect costs associated with the fiscal year 1990 budget request, rather than to rely on third party collections. As such, an increase of \$23,000,000 is provided.

Initial funding of \$10,000,000 is provided to establish the Indian health care improvement fund, from which payments will be made to address health care requirement in the neediest areas.

The administration's request for AIDS programs is consolidated under the Public Health Service, and includes \$992,000 to be transferred to the Indian Health Service. The Committee expects that all of these funds will be transferred to IHS, with no earmark for urban programs. The Committee urges IHS to pay particular attention to education and prevention efforts, and to distribute funding in accord with a plan that emphasizes these objectives. PHS and IHS should consult with tribes regarding these efforts, and to the maximum extent feasible, should tap the community based resources of the tribes.

Dental health.—The Committee recommends an increase of \$208,000, which will provide for staffing at new facilities at Sacaton, Fort Thompson, and Toppenish.

Mental health.—The Committee has provided an increase of \$6,931,000 above the budget request. The Committee has included \$5,000,000 to fund the special child abuse initiative. Of this increase, \$1,800,000 will enable the Indian Health Service to fund contracts for those indigent Indians in North and South Dakota committed to an institution by tribal courts, but for whom, by court ruling, the State bears no payment responsibility. The remaining increase of \$131,000 is to meet staffing needs at the new facilities at Sacaton, Wolf Point, and Toppenish. Within the total provided, the Committee directs that \$100,000 be provided for the Hopi special child abuse project.

Alcoholism.—Within the funds provided, the Committee recommends \$200,000 for the Indian Health Service to continue to work with the Navajo Tribe on the alcoholism treatment demonstration project in the Gallup, NM, area. The Committee also recommends that the Seattle Indian Health Board Children of Alcoholics Program be incorporated into the training curriculum for ongoing alcoholism and substance abuse activities. Within the total recommended, the Committee intends that \$527,000 be made available to fund a residential treatment center during pregnancy for Alaska Native mothers. This program is designed to combat the incidence of fetal alcohol syndrome and fetal alcohol effect.

Maintenance and repair.—Since the Committee has not agreed to the administration's proposal to create separate tribal and Federal health administration accounts, the maintenance and repair function is transferred back from the Federal facilities portion. Thus, an increase of \$12,177,000 over the request is displayed.

Contract care.—The Committee recommends an increase of \$12,000,000 to fund the shortfall experienced this year for contract health care services. In light of the contract care shortfalls experienced during fiscal year 1989, IHS should submit a quarterly report on the status of contract health care services which details the level of catastrophic care deficits, weekly spending rates, projected shortfalls, timeliness for anticipated denials of contract health care services if a shortfall is imminent, and proposed alternative corrective measures to address the situation. This report should be submitted within 6 weeks after the end of each quarter. The Committee is aware of increased contract care costs occurring in Arizona as a result of the ninth circuit court decision with respect to payment of last resort for the medically needy and medically indigent. In this instance, the provision of services for off-reservation Indians is being made by the Indian Health Service while the case is appealed. It is the Committee's intent that within the total funds provided, the Indian Health Service provide sufficient funds to the Phoenix, Navajo, and Tucson areas to address these increased costs, which are estimated at approximately \$5,000,000. The Committee expects that within the total amount recommended, IHS will continue to work with the Sage Memorial Hospital in Arizona and the Mid-Dakota Hospital in South Dakota to provide and fund fully the costs necessary to maintain ongoing contract care services provided during fiscal year 1989.

Sanitation.—The Committee recommends an increase over the request of \$136,000 to reflect staffing associated with new facilities.

Public health nursing.—As with sanitation, the Committee has recommended additional funds associated with new facilities, an increase of \$239,000 over the budget request.

Health education.—The Committee has included additional funding of \$40,000 associated with staffing of new facilities.

Immunization.—The Committee has included an increase of \$242,000 for Alaska hepatitis screening and immunization testing. These funds will be used to further assess booster vaccine frequencies and other treatment options that might result in long-term cost savings for the program. The Committee has also included \$461,000 for a haemophilus influenza type B [HIB] prevention pro-

gram ...ing bacterial polysaccharide immune globulin [BPG] in Alaska.

Urban health projects.—The Committee recommends an increase of \$3,500,000, which restores the program to the fiscal year 1989 level and provides increases to address needs in selected areas. Of the increase provided, \$2,500,000 is to fund alcoholism initiatives for urban Indians. Within the total, \$300,000 is proposed for the Seattle Thunderbird Treatment Center. Increases of \$500,000 each are provided to address service populations in the Phoenix and Flagstaff areas. A priority should be placed on prenatal treatment, particularly in the Phoenix area.

Indian health manpower.—The Committee recommends an increase of \$500,000, to fund additional scholarships, and an increase of \$1,000,000 to initiate the special nursing program authorized in section 112 of the Indian Health Care Amendments of 1988 (Public Law 100-713).

Tribal management.—The Committee recommends \$2,594,000, the same as the House allowance and the budget estimate. Within the total, the IHS is expected to continue the Tohono O'Odham demonstration program at the fiscal year 1989 level of \$275,000.

Direct operations.—Within the funding provided for direct operations, the Committee directs that \$250,000 be made available to fund a feasibility study of a possible merger of the Alcoholism and Mental Health Programs. The study should address the costs of such merger, as well as potential savings from combining the two programs. Such a study should incorporate consultation with tribes, Alaska Native villages and urban Indian communities. The authorizing and Appropriations Committees should be consulted on the study findings before IHS makes any changes to the existing program structure. Items to be examined in the study should include an examination of the common standards of practice used within the two programs; confidentiality issues; comparability in data collection; and differences in salary classifications which might be affected by such a merger. This report should be completed and submitted to the Committees no later than April 1, 1990.

Facilities.—As recommended by the House, the Committee does not agree with the proposal to merge the House, the Committee does not agree with the proposal to merge the facilities and services appropriations accounts. Accordingly, the \$10,000,000 requested for repair and improvement projects in the services account, and the related bill language, are deleted, and the projects will be considered under the facilities appropriation.

Contract conversion.—The Committee has not included funds, as proposed by the House, to convert tribal contracts to a calendar year basis beginning January 1, 1990. The Committee is concerned about the actions necessary to achieve conversion and whether conversion funds will be needed annually due to newly executed contracts. The IHS should report to the committees, by March 1, 1990, with BIA, regarding the logistical and accounting needs for such a conversion. This report should address the option, and costs, of converting the entire Bureau budget to a calendar year basis.

INDIAN HEALTH FACILITIES

Appropriations, 1989.....	\$61,668,000
Budget estimate, 1990.....	
House allowance.....	75,420,000
Committee recommendation.....	65,941,000

The Committee recommends an appropriation of \$65,941,000, an increase of \$65,941,000 above the budget estimate, \$9,479,000 below the House allowance, and \$4,273,000 above the fiscal year 1989 appropriation. The following table summarizes the Committee's recommendations:

	Budget estimate	Committee recommendation	Change
Hospitals, new and replacement.....	\$13,400,000	\$13,400,000	+\$13,400,000
Outpatient care facilities.....	15,031,000	15,031,000	+15,031,000
Personnel quarters.....	13,210,000	13,210,000	+13,210,000
Sanitation facilities.....	25,000,000	25,000,000	+25,000,000
Unallocated balances.....	700,000	700,000	—700,000
Total.....	65,941,000	65,941,000	+65,941,000

Bill language is included to clarify that IHS may use construction funds for site acquisition in connection with approved construction projects. The Committee intends, however, that unless prior Committee actions have indicated approval of site acquisition for a project, IHS should submit the project for consideration under the Committee's reprogramming guidelines.

The Committee is aware of proposal by various tribes, including the Confederated Tribes of the Warm Springs Reservation, regarding the possibility of securing non-Federal funds for construction of clinic facilities. The Committee is encouraged by tribal efforts to secure non-Federal funding, and directs IHS to work with tribes who have forwarded such proposals. In addition to reporting about the Warm Springs proposal, IHS should also address other similar proposals pending before the agency, and identify potential costs to the Federal Government. In preparing its report, IHS should also examine alternative options for evaluating such proposals, including whether they should be evaluated against the priority list for fully funded Federal projects when a Federal matching contribution is necessary for construction.

The Committee is also aware that some facilities projects may be considered that involve a lease-purchase option. The Committee directs the Indian Health Service to keep the Appropriations Committees informed of these options, and to present the options in a manner that allows for a cost comparison of lease-purchase versus direct Federal funding.

IHS is encouraged to move expeditiously to complete the planning and design of the Inland Tribal Consortium's youth alcohol and substance abuse treatment facility. Funds have previously been made available for this purpose, and IHS should report to the Committee if additional funds will be required.

Outpatient care facilities.—A total of \$13,400,000 is recommended for the design and construction of new and replacement hospitals, and for modernization and repair projects as follows:

New and replacement:	
Kotzebue, AK—Design, begin site work.....	\$3,150,000
Crow, MT—Complete design.....	250,000
Subtotal.....	3,400,000
Repair and improvement.....	10,000,000
Total.....	13,400,000

Outpatient care facilities.—The Committee recommends an appropriation of \$15,031,000 for the design or construction of outpatient care facilities, as follows:

Sallisaw, OK—Design and construction.....	\$4,165,000
Puyallup, WA—Construction.....	8,168,000
Taos, NM—Planning and design.....	216,000
Second Mesa, AZ—Planning and design.....	650,000
Pinon, AZ—Planning and design.....	850,000
White Earth, MN—Planning and design.....	982,000
Total.....	15,031,000

The Committee also intends that the Indian Health Service work with the Bureau of Indian Affairs and the Office of Construction Management in the Department of the Interior with respect to the inclusion of alcohol detoxification facilities within new planned detention facilities. The two bureaus should prepare a joint report, to be submitted by March 1, 1990, regarding efforts undertaken to meet this requirement. The bureaus should address such issues as staffing responsibility, costs, and design requirements.

Personnel quarters.—The Committee recommends an appropriation of \$13,210,000. The following projects are funded:

Kotzebue, AK—Site purchase and design.....	\$1,287,000
Pine Ridge, SD—Site development.....	2,000,000
Barrow, AK—Phase I construction.....	9,010,000
Belcourt, ND—Design.....	933,000
Subtotal.....	13,210,000

Sanitation facilities.—The Committee recommends an appropriation of \$25,000,000, a decrease of \$10,000,000 from the House level. Within the total provided, the Committee directs \$1,644,000 for water supply at the Cattaraugus Reservation of the Seneca Nation; \$980,000 for the water supply system of the Quileute Tribe of Washington, and \$1,250,000 for the city of Kotzebue, AK, to repair its water and sewer system. A matching amount of \$1,250,000 must be provided from non-Federal sources. Also included is \$450,000 for the Zuni Pueblo to elevate three pumping stations and study needed improvements to the water system. In addition, the Indian Health Service should work with the Pleasant Point Passamoquoddy of Maine to address sanitation needs on the reservation.

The Committee concurs in the recent request to reprogram funds to address emergency sanitation facilities projects on the Cheyenne River Indian Reservation, SD; Mountain Village, AK; Paiute Indian Community, OR; and Tohono O'odham Reservation, AZ.

Unobligated balances.—A reduction of \$700,000 is applied as a partial offset to the increased facility funding provided herein. These funds are to come from construction savings anticipated from the Rosebud Hospital. Additional construction funds are to be dedicated for a surgical suite at the Rosebud Hospital in South Dakota (approximately \$1,300,000). These funds are available from unobligated balances associated with construction of the hospital. Additional unobligated balances from this hospital are to be used for asbestos abatement at the Wagner, SD, clinic (approximately \$303,000).

DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

INDIAN EDUCATION

Appropriations, 1989.....	\$71,553,000
Budget estimate, 1990.....	74,168,000
House allowance.....	74,149,000
Committee recommendation.....	74,149,000

The Committee recommends an appropriation of \$74,149,000, a decrease of \$19,000 from the budget request and the same as the House allowance. The fiscal year 1990 recommendation represents an increase of \$2,596,000 over the fiscal year 1989 enacted level.

The following table represents the distribution of funds for the Department of Education's portion of Indian education funding:

Subpart 1, grants.....	\$54,541,000
Subpart 2, special programs for students.....	12,725,000
Subpart 3, special programs for adults.....	4,136,000
Program administration.....	2,747,000
Total.....	74,149,000

The Committee does not concur in the House action to transfer \$500,000 from subpart 2 to subpart 1. A slight increase of \$500,000 will do little to address the estimated \$200,000,000 necessary to equalize the per pupil expenditures at local education agencies and Indian-controlled schools under the discretionary program. If the office is to explore narrowing the gap between these two expenditures, attention must be paid to the budgetary impact of this endeavor.

The Committee has provided funding, consistent with the House, to enable the National Advisory Council on Indian Education [NACIE] to conduct five meetings, which is the same as provided for fiscal year 1989. Funding for a White House Conference on Indian Education should be sought through the White House appropriation.

OFFICE OF NAVAJO AND HOPÍ INDIAN RELOCATION

SALARIES AND EXPENSES

Appropriations, 1989.....	\$27,878,000
Budget estimate, 1990.....	31,218,000
House allowance.....	36,818,000
Committee recommendation.....	36,818,000

The Committee recommends an appropriation of \$36,818,000, an increase of \$5,600,000 over the budget estimate, the same as the House allowance, and \$9,445,000 more than the amount available in fiscal year 1989.

The Committee recommendation includes increased funding, as proposed by the House, of \$5,600,000 over the budget request for road development on the new lands. These expenses are a part of the relocation program, and failure by the administration to request adequate funding for this purpose further delays progress on the new lands. The Committee approved a reprogramming to provide additional Commission funding for the new lands roads in fiscal year 1989, and has provided the necessary funding herein for fiscal year 1990. The administration should request such funding in future budget submissions.

The Committee is aware of concerns from officials of the Navajo Nation regarding consultation activities between the Office of Navajo and Hopi Indian Relocation and affected tribal interests with respect to discretionary fund expenditures. The Committee emphasizes that these funds are to be expended to benefit those persons affected by relocation, and the interests of these individuals should be considered before final spending decisions are made. Therefore, the Commission should coordinate with the appropriate tribal officials and give substantial consideration to their recommendations. When these recommendations cannot be accommodated, the Committee is to be notified.

Since the Office of Navajo and Hopi Indian Relocation has no authority for forced eviction, only those who have voluntarily applied to the Office and are certified eligible for relocation are presently being moved. The Committee has continued language it has carried in prior years stating that there will be no evictions of families physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement house is provided.

The Committee has no objection to the House request for a study of the cost of, and need for, the establishment of a fire substation and rescue squad on the new lands. Such a report should address financing alternatives, including operations.

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

PAYMENTS TO THE INSTITUTE

Appropriations, 1989.....	\$3,094,000
Budget estimate, 1990.....	3,000,000
House allowance.....	4,660,000
Committee recommendation.....	3,500,000

The Committee recommends an appropriation of \$3,500,000, an increase of \$500,000 over the budget estimate and a decrease of \$1,160,000 when compared to the House allowance. The recommended level is an increase of \$406,000 over the fiscal year 1989 appropriation, and will allow the Institute to continue fulfilling its responsibilities. The recommended level is \$1,623,000 below the budget request submitted by the Board of Trustees of the Institute.

Bill language has been included directing that the Institute submit its budget proposal and justification concurrently with the submission of the President's budget. By statute, the Institute is to submit its budget directly to the Congress. By advancing the due date, the Committee will be able to review the budget request in a more timely manner, consistent with the budget submissions provided by other agencies funded in the Interior and Related Agencies appropriation bill. At present, the Institute's budget submission is not due until April 1, which delays Committee review of the proposal. The Committee concurs with the House language reiterating that the Institute's budget is not to be revised by the administration, and hopes that submission of the Institute's request at the same time as the President's budget will prevent such adjustments in the future.

Of the funding provided, the endowment portion is kept at \$250,000, the same level as enacted for fiscal year 1989. Bill language is included providing that endowment funds are to remain available for 2 years, to allow for additional time to obtain non-Federal matching funds.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

Appropriations, 1989.....	\$211,240,000
Budget estimate, 1990.....	227,787,000
House allowance.....	231,981,000
Committee recommendation.....	223,029,000

The Committee recommends an appropriation of \$223,029,000, a decrease of \$4,708,000 below the budget estimate and \$8,952,000 below the House allowance. The following table provides a comparison of the budget estimates with the Committee recommendation:

	Budget estimate	Committee recommendation	Change
Research.....	\$42,393,000	\$42,152,000	-\$231,000
Museums.....	84,721,000	85,821,000	+1,100,000
Public service.....	2,736,000	2,736,000	
Directorate of International activities.....	839,000	839,000	

LAND ACQUISITION AND DEVELOPMENT

(BORROWING AUTHORITY)

Appropriations, 1989	\$12,000,000
Budget estimate, 1990	12,000,000
House allowance	10,000,000
Committee recommendation	

The Committee recommends \$10,000,000 in additional Treasury borrowing authority, a decrease of \$2,000,000 below the budget estimate and the House allowance. The Committee believes that \$10,000,000 in additional borrowing authority is sufficient for the PADC to purchase square 406, in view of the fact that the PADC has approximately \$23,000,000 in borrowing authority remaining and \$35,000,000 in anticipated sale and lease revenues available for land acquisition.

PUBLIC DEVELOPMENT

Appropriations, 1989	\$3,175,000
Budget estimate, 1990	3,150,000
House allowance	3,150,000
Committee recommendation	3,150,000

The Committee recommends an appropriation of \$3,150,000 for public development activities, the same as the budget estimate and the House allowance.

HOLOCAUST MEMORIAL COUNCIL

SALARIES AND EXPENSES

Appropriations, 1989	\$2,244,000
Budget estimate, 1990	2,315,000
House allowance	2,315,000
Committee recommendation	2,315,000

The Committee recommends an appropriation of \$2,315,000, the same as the budget estimate and the House allowance.

TITLE III—GENERAL PROVISIONS

The Committee has recommended inclusion of several general provisions in the bill including the following:

Sec. 301. Provides that contracts which provide consulting services are a matter of public record and available for public review, except where otherwise provided by law.

Sec. 302. Continues the prohibition on the export of timber harvested on National Forest Service lands.

Sec. 303. Provides a restriction on noncompetitive bidding in the Shawnee National Forest, IL.

Sec. 304. Provides that appropriations available in the bill shall not be used to produce literature or otherwise promote public support of a legislative proposal on which legislative action is not complete.

Sec. 305. Provides that appropriations made available in this bill will not remain available beyond the current fiscal year unless otherwise provided.

Sec. 306. Provides that appropriations made available in this bill cannot be used to provide a cook, chauffeur, or other personal servants.

Sec. 307. Provides for a restriction on the issuance of oil, gas, or geothermal leases in certain areas within the Mount Baker-Snoqualmie National Forest, State of Washington.

Sec. 308. Provides a restriction on departmental assessments unless approved by the Committees on Appropriations.

Sec. 309. Provides that employment funded in this bill will not be subject to personnel ceilings or other such restrictions.

Sec. 310. Provides authority for the Secretary of the Interior, the Secretary of Agriculture, and the Secretary of the Smithsonian Institution to enter into contracts for detection and suppression of fires.

Sec. 311. Provides a continued prohibition to plan for, conduct, or supervise deer hunting on the Loxahatchee National Wildlife Refuge.

Sec. 312. Prohibits challenges to Forest Service and BLM land and resource management plans solely on the basis that the plan is outdated or does not incorporate new information. However, the section is not intended to preclude case-by-case timber sale appeals in site-specific instances, and ensures that judicial review of these and other particular Forest Service and BLM activities shall be available.

Congress, in the exercise of its plenary authority over Federal lands, has the power to limit the availability of judicial relief under substantive or procedural statutes affecting the management of those lands. While the Committee does not endorse the ready use of this constitutionally derived power, it considers section 312 to be a necessary short-term response to those challenges that have dis-

ru, or have the potential to disrupt new management plans and timber management activities under existing plans while the new plans are being developed. The language in section 312 has been included to ensure the smooth transition of resource management activities and planning capability from one planning period to another, especially during the last stage of management under the existing plans. The Committee notes that this is particularly applicable in the current circumstances because both the Forest Service and BLM are within approximately 24 months of the completion and release of final land and resource management plans and environmental impact statements in Oregon and Washington.

Sec. 313. Provides that such sums as may be necessary for fiscal year 1990 pay raises for programs funded by this act shall be absorbed within the levels appropriated in this act.

Sec. 314. Provides that the Yurok transition team may enter into contracts with the Secretaries of Interior and Health and Human Services for Federal services and benefits until such time as the Yurok Interim Council is organized.

Sec. 315. Provides for the Forest Service to proceed with the offer of lodgepole pine timber in the Upper Yaak Decision Area in the Kootenai National Forest in Montana. The language directs that no construction of new system roads shall be permitted in the Upper Yaak River drainage. The road construction to be carried out pursuant to this section shall be limited to minor reconstruction, short spurs, and landings in and adjacent to cutting units.

Sec. 316. Provides clarification for the use of funds collected for quarters rental in the case of tribal contractors who operate programs under the Bureau of Indian Affairs and/or the Indian Health Service. The language would allow a tribe or tribal organization to use quarters rents and charges for the operation, maintenance, and repair of such quarters.

Sec. 317. The Committee has adopted an amendment which is intended to stabilize with certainty the flow of public timber supply from Forest Service lands in Oregon and Washington, and BLM lands in western Oregon. While establishing stability is the primary intent of this amendment, it also provides protection for potentially significant forest stands in Oregon and Washington pending the opportunity for full review and land allocation determinations in the land and resource management planning processes currently underway for the Forest Service in region 6 and the Bureau of Land Management [BLM] in Oregon.

The need for this amendment arose from the interdiction of nearly 60 percent of the timber sales from public lands in Oregon and Washington. This interdiction occurred as a result of court actions filed in U.S. district courts. These actions challenged timber sales which were alleged to have affected, or might affect, the viability of the northern spotted owl. District court judges have granted requests for preliminary injunctions halting 2.5 billion board feet in Federal timber sales pending hearings on the merits later in 1989.

The Committee's immediate concern is the potential for considerable economic disruptions which are likely to occur if the injunctions remain in place. Thousands of jobs in public timber-depend-

ent communities and millions of dollars in lost Federal and local revenues would be lost if these disruptions continue.

However, the Committee recognizes through adoption of this amendment the need to provide a certain, sustainable supply of timber from public lands to the Nation's preeminent timber-producing region, and balance that requirement with the recognition of a dawning understanding of the importance of identifying potentially significant old growth forest areas. While neither use of public resources is preeminent or exclusive of one another, they are public resource assets to which the public has affixed high societal value.

The need to address in the amendment disagreements over the management of the region's old growth forests is important because, in terms of the ability to produce timber for national and international needs, the Federal Government owns and controls nearly 52 percent of the State of Oregon. Therefore, Federal land management decisions, or actions which affect the ability to carry out Federal land management decisions, do have a clear and substantial impact on the people in the region and upon the resources in that region.

EXPLANATION OF THE AMENDMENT

Subsection (a) of the amendment sets an aggregate timber sale level for the USDA Forest Service, region 6 at 8 billion board feet in fiscal years 1989 and 1990.

The amendment also establishes a timber sale level for the BLM of 2 billion board feet for the 2 fiscal years.

The Committee intends that this amendment be eastside neutral; that is, that the status quo apply on the remaining six national forests in the region. For that reason, the amendment clearly specifies that the aggregate timber sale level for the 13 national forests and five BLM districts known to contain spotted owls shall be 6 billion board feet for fiscal years 1989-90.

The 13 forests are: the Deschutes, Mount Hood, Rouge River, Siskiyou, Siuslaw, Umpqua, Willamette, and Winema National Forests in Oregon; and the Gifford Pinchot, Mount Baker-Snoqualmie, Okanogan, Olympic, and Wenatchee National Forests in Washington. The five BLM districts are: the Coos Bay, Eugene, Medford, Roseburg, and Salem Districts in Oregon.

Subsection (b) requires the two Federal land management agencies to prepare all timber sales for the 2 fiscal years in a manner which minimizes the fragmentation of potentially significant forest stands. These stands are those which, by using the Wilderness Society's definition for classic old growth, may be so ecologically sensitive as to warrant moving timber management activities away from them.

The Committee chose not to affix an acreage size to the stands. This preserves options for future decisionmakers who will benefit from better information about these areas, and it allows the forest's ecological attributes to be the focus of future management decisions instead of the traditional metes-and-bounds methods of establishing set-asides for environmental protection purposes.

Subsection (b) also requires the Federal agencies to prioritize a list of potential sale areas in potentially significant forest stands from the smallest areas to the largest. The Committee expects the agencies to adhere to this priority list to the maximum degree possible when preparing timber sales.

The Committee is aware that the Forest Service estimates that a fiscal year 1990 harvest level of 75 billion board feet can be reached on the Olympic National Forest and a harvest level of 100 billion board feet on the Mount Baker-Snoqualmie National Forest.

The Committee is concerned about the potential impact of applying minimal fragmentation limits to the Mount Baker-Snoqualmie and Olympic National Forests. Therefore, the Committee directs the Forest Service to review its timber sales programs for these forests in relationship to the minimal fragmentation criteria. If the forests are unable to meet their proportional allowable sale quantities [ASQ] then the Forest Service shall consult with the advisory boards and the U.S. Fish and Wildlife Service to try to identify, prepare, advertise, offer, and award sales to meet the ASQ level. If the ASQ level cannot be met through current timber sales then the Forest Service may redirect future timber sales to meet the proportional ASQ.

This subsection shall not be construed to alter the relationship between the Forest Service and the U.S. Fish and Wildlife Service for the purposes of conferring of section 7(a)(4) of the Endangered Species Act of 1973 (16 U.S.C. 1536(a)(4), as amended).

Subsection (c) directs the Secretaries of the Interior and Agriculture, through the BLM and Forest Service respectively, to establish advisory boards to assist in the review of timber sales being prepared for sale in fiscal year 1990. The boards are to be appointed by November 1, 1989. These boards are to represent the spectrum of views within a community to the greatest extent practical while still allowing a functional group. These groups are to be advisory in nature and shall have no decisionmaking authority. The boards will not be subject to the provisions of the Advisory Committee Act.

By using the criteria established in subsection (b), and by using other professionally accepted silvicultural principles, the agencies are directed to work with the advisory boards to review the fiscal year 1990 timber sales.

This process serves a dual function: It creates a series of forest-by-forest and district-by-district, multiinterest public bodies which will assist in the short-term goal of reestablishing a stable flow of timber, and, the Committee hopes, it will set the tone for future cooperative land management decisionmaking which more fully incorporates a myriad of public views as the new land and resource management plans are put into place for both agencies in the 1990's.

Subsection (d) establishes a single level of administrative appeal for the fiscal year 1990 timber sales and requires the regional forester and BLM State director to render a decision on the merits of the appeal within 45 days. The purpose of this subsection is to ensure the expeditious hearing of legitimate issues surrounding the fiscal 1990 sales.

The Committee strongly recommends that each agency consider using the advisory groups to assist in the review of each appeal.

Each group might consider, after reviewing the appeals independently, making recommendation to the appropriate reviewing officer prior to a decision on the merits.

Subsection (e) recognizes the desirability and necessity of assuring the involvement of the U.S. Fish and Wildlife Service as the timber sale criteria are established and the sales are prepared. The purpose of subsection (e) is to keep the interagency process moving ahead without delay, and to require monthly reporting to the appropriate committees of Congress on the status of that process to ascertain that this important process is continuing unabated and with full coordination and cooperation between the agencies.

The Service is directed to prepare an advisory report which shall recommend criteria to the Forest Service and BLM for the preparation of fiscal year 1990 timber sales. The Forest Service and BLM shall incorporate the criteria into their timber sale preparation work for that fiscal year.

The Committee notes that this subsection is not intended to provide the Fish and Wildlife Service with a veto over a decision whether to offer a sale in this short-term response to the regional timber supply crisis. Rather, the language is designed to assure the full integration of that agency's expertise and views into the sale preparation process. The Committee has drafted the language expecting that interagency cooperation and coordination will continue to improve where the dual issues of timber management and species protection are involved. The Committee intends that the Forest Service and the BLM still retain final authority to decide whether a sale, or series of sales, should be prepared, advertised, offered, and awarded.

The Committee understands that the parties in the two primary cases which have resulted in the judicially imposed injunctions in Oregon and Washington are endeavoring to develop an agreement or decree which will allow timber sales to be removed from the terms of the injunctions, modified where appropriate to account for the need not to impinge upon future management options with regard to the northern spotted owl, and returned to the market for sale.

According to subsection (f) of the amendment, all parties to the extant lawsuits are expected to complete the agreement and assure that it is entered as an order of the court by October 1, 1989. This date was established because the parties have been in discussions relevant to this matter prior to passage of this legislation. This deadline provides certainty that the parties will proceed steadily toward efforts which will release timber for sale from the respective court injunctions.

The Committee strongly endorses this good-faith effort to develop an agreement which will assist in reestablishing a smooth, certain supply of timber to the economy. However, because the Committee considers certainty to be the underpinning factor in this amendment, mechanisms have been developed to assure the flow of timber in the event the agreements are not reached and entered as orders of the respective courts.

Subsection (f) also provides that the agreement shall identify for release at least 1 billion board feet of timber sales from the injunction affecting Forest Service sales, and at least 250 million board

feet of timber sales from the injunction affecting BLM sales to assure an even flow of timber in each administrative area for the 1989-90 period.

The released sales are barred from further judicial review because they will have been subject to review, and will have been released by the plaintiffs in the original court action. An additional reason for this action is to ensure that the sales upon which agreement has been reached for release are operated. The remainder of the previously enjoined sales are voided and the agencies are ordered not to reoffer them for resale in fiscal year 1990.

Subsection (g) of the amendment establishes that the court agreement must be entered by October 1, 1989, and identifies the court cases from which sales will be identified for release by the parties to the agreement. This subsection also provides that the views of the advisory boards will be incorporated into the timber sale preparation process regardless of whether the agreement is entered and accepted by the court.

In subsection (h), it is provided that failure to reach agreement by October 1, 1989, results in a revocation of the legal basis for the original challenges and directs that the sales listed in the court orders be prepared, advertised, awarded, and operated. The appropriate agencies are directed then to apply to the court for a lifting of the order which was obviated by the failure of the agreement to be reached and entered by the parties, and accepted by the appropriate court.

The Committee fully acknowledges the seriousness and gravity of this provision. Limiting the jurisdiction of courts is not an action taken lightly or without being aware of public sensitivities. However, it is the view of the Committee that actions which lead to wholesale timber sale shutdowns of the nature which have occurred during the last several are just as serious because of the destructive effects that the economic disruptions can have upon individuals and their families, and upon entire communities and subregions of a State.

Subsection (i) prohibits any court of the United States from issuing a temporary restraining order, injunction, or void of sale for any of the fiscal year 1990 timber sales. Lawsuits addressing any issue of law surrounding these sales are allowed to proceed on their merits, but the courts will not have the ability to impose any order which would cause the wholesale shutdown of any national forest, forest district, or BLM district in Oregon or Washington. This principle also applies for the timber sales which were removed from the injunction in the event the agreement between the parties fails to develop.

The Committee notes with concern that, to date, the agencies have been unable to develop interagency criteria for reviewing timber sales in the context of the conferencing provisions of section 7 of the Endangered Species Act of 1973. Therefore, subsection (j) of the amendment requires the Forest Service, Bureau of Land Management, and the U.S. Fish and Wildlife Service to prepare monthly status reports for the appropriate congressional committees which update their progress in reviewing and preparing sales.

Subsection (k) of the amendment also specifies that the provisions of the amendment are to apply only to the 13 national forests

in Oregon and Washington which are known to contain spotted owls. It is also stated that it should not be construed that the policies adopted for the purpose of enacting this short-term solution are to be adopted on any other forest in the region.

Finally, the Committee wishes to emphasize that this amendment has been developed to respond to a short-term problem only. While elements of the amendment may be useful in future land and resource management activities in Oregon and Washington, and, perhaps, nationally, the amendment specifically ends its provisions at the end of the 1990 fiscal year, on September 30, 1990.

Sec. 318. Would, through enactment of a permanent provision of law, preclude Federal funds awarded recipients of Federal contracts, grants, loans, or cooperative agreements from being used to pay persons to influence or to attempt to influence agency or legislative decisionmakers in connection with the awarding of any contract, grant, loan, or cooperative agreement. It would also require that a person requesting or receiving a Federal contract, grant, loan, cooperative agreement, or loan guaranty or insurance, declare certain information concerning any payments made or to be made using non-Federal funds to influence or attempt to influence agency or legislative decisionmakers in connection with the awarding of any of the covered transactions. Civil penalties are authorized to be assessed against persons who fail to comply with the payment prohibition or filing requirement. Cancellation or termination of the contract, grant, loan, cooperative agreement, or loan guaranty or insurance is also authorized.

BACKGROUND

Recent disclosures in the media have heightened public concern over the integrity of the processes by which the Government makes contracts, grants, cooperative agreements, loans, and loan guaranties, and insured loans. These processes appear to be subject to manipulation and circumvention through the practice of prospective recipients hiring individuals claiming to have access to the agency and legislative decisionmakers in order to obtain favorable consideration for their clients. The ability of these persons to gain access and exercise influence may result in contract, grant, cooperative agreement, loan, loan guaranty, or loan insurance decisions not being made on a proposal's merits. Such outcomes contribute to wasting of the limited Federal resources available for needed programs. Even if this practice seldom actually affects the decision-making process, it creates a general public perception that agency and legislative decisionmakers are being influenced by factors other than the merits of any contract, grant, or cooperative agreement proposal and this perception undermines public confidence in the Government.

Under these circumstances there is now a need to provide a comprehensive and consistent legislative framework for prohibiting the use of appropriated funds to pay for such practices in connection with the obtaining of contracts, grants, loans, or cooperative agreements. Currently, there are some provisions that prohibit recipients of Federal contracts, grants, and cooperative agreements from using the proceeds of these awards to influence agency and legisla-

tion. For example, the Federal acquisition regulations codify principles and OMB's cost principles for nonprofit organizations (OMB Cir. A-122, attachment B) rule out the allowability of many costs associated with attempts to influence Government awards through contacts with Federal executives, Members of Congress, and their staffs. The recent disclosures, however, make it important, despite these provisions, for Congress to express a clear policy against those practices that would benefit persons who seek to gain special favor at public expense.

We are particularly concerned with the exorbitant fees paid to individuals and firms that sell their ability to gain access to key decisionmakers and influence their decisions. We are unaware of any recent comprehensive evaluation of the extent that these individuals or firms are used by applicants and recipients of Federal contracts, grants, loans, or other forms of Federal assistance. Based on problems the General Accounting Office has identified with the use of consultants by contractors and subcontractors over the years, there are grounds to believe, however, that the Government's controls over the use of consultants by contractors, grantees, and other recipients of Federal assistance need to be strengthened. Also, at present there is no adequate system of reports that permits an examination as to the extent that lobbyists are used by those seeking funds from the Federal Government.

SECTION ANALYSIS

Subsection (a)(1)(A) would prohibit the use of Federal funds received by any person under Federal contracts, grants, loans, or cooperative agreements, to make direct or indirect payments to persons, to directly or indirectly influence or attempt to influence any officer or employee of an agency in connection with the awarding, obtaining, or making of any Federal contract, grant, loan, or cooperative agreement. Subsection (e)(1)(B) would exempt from this prohibition payments made to persons for professional or technical assistance rendered in connection with meeting program requirements that must be met for a person to be considered on the merits for receiving a Federal contract, grant, or cooperative agreement. This exemption is not intended to authorize payments for agency or legislative lobbying. Nor is it intended to authorize payments which are otherwise unauthorized or unallowable. Subsection (e)(1)(C). For example, to the extent that the Federal acquisition regulations, OMB Circular A-122, or other standards that govern the allowability of costs under contracts, grants, and cooperative agreements, would now make a portion of an employee's or consultant's compensation unallowable, subsection (e)(1)(B) would not provide a basis for making that compensation now allowable.

Subsection (a)(1)(B) and (C) would prohibit the use of Federal funds paid to recipients of Federal contracts, grants, loans, or cooperative agreements to directly or indirectly pay persons to directly or indirectly influence Members of the Congress or an officer or employee of the Congress to introduce, consider, or otherwise act upon proposed legislation, as the case may be, concerning the making, obtaining, or funding of any Federal contract, grant, loan, or cooperative agreement, or any continuation or change thereto.

Exempted from the payment prohibitions under subsection (a)(1), would be payments of reasonable compensation made to officers or employees of persons requesting or receiving Federal contracts, grants, loans, or cooperative agreements, and with respect to agency and legislative liaison activities not directly related to a Federal action referred to in subsection (a)(2), only to the extent that such payments are not otherwise in contravention of law. Subsection (e)(1)(A) and (C).

Subsection (c)(1) would subject each person who makes an expenditure prohibited by subsection (a) to a civil penalty of \$100,000 for each such expenditure. Subsection (c)(5) would authorize an agency to cancel or terminate a contract, grant, loan, or cooperative agreement made with any person if such person makes any payment prohibited by subsection (a).

Subsection (b)(1) would require each person requesting or receiving a Federal contract, grant, loan, or cooperative agreement to file a declaration in writing stating whether such person has made or agreed to make any payment using funds other than appropriated funds, which would be prohibited by subsection (a)(1) if the payment was paid for with appropriated funds. This would include any contingent fee or deferred payment arrangements. Subsection (b)(1) also imposes a similar filing requirement on persons requesting or receiving from an agency a commitment providing for the United States to insure or guarantee a loan made by such person. Subsection (b)(3) specifies reportable actions involving persons requesting or receiving loan guarantees or loan insurance.

The declaration would include with respect to each payment: the name and address of the payee, the name of the individuals performing the services for which the person is paid, the amount of the payment, how the person is paid, and the activity for which the person is paid. Subsection (b)(2)(B). Any contractor, subcontractor, or subcontractor as the case may be, of a person requesting or receiving a Federal contract, grant or cooperative agreement would be required to file a similar declaration with that person. See subsection (b)(5).

These declarations would be filed with the agency at the time a person initiates agency consideration of such person for award of a Federal contract, grant, cooperative agreement or loan, or for a grant of a commitment providing for the United States to insure or guarantee a loan made by such person, or upon receipt of such contract, grant, cooperative agreement, loan or commitment, if no statement has previously been filed with the agency. Also, a person must immediately file a declaration upon the occurrence of any event that affects the accuracy of the information contained in any declaration previously filed by such person. Subsection (b)(4).

The declarations would be collected and compiled by the head of the agency and on April 30 and October 31 of each year, beginning with 1990 would be submitted to the Secretary of the Senate and the Clerk of the House of Representatives. Subsection (b)(6). The Director of the Office of Management and Budget would be required to prescribe within 60 days of enactment of this act, guidance for agency implementation and compliance with the requirements imposed by this section on an agency or person. Subsection (b)(7).

For purposes of this section the terms Federal contract, grant, or cooperative agreement do not include direct cash assistance from the U.S. Government, loans, loan guarantees, or loan insurance. Subsection (g)(6).

"Reasonable payment" is defined to mean, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector. Subsection (g)(8)

"Reasonable compensation" for purposes of this section is defined as compensation paid to regularly employed officers or employees that is consistent with the normal pay scales of the employer when the employer is paying the employee from non-Federal sources. For example, to the extent that a regularly employed president of an organization performs, under his regular compensation and with non-Federal funds, generally recognizing chief executive type functions which may include representing the organization before Congress or one of its Members, the organization would not have to file the declaration under this section. Subsection (g)(9).

"Regularly employed" is defined as describing a person who is employed by the potential filing organization for at least 130 working days within the year immediately preceding the submission date that requires filing a declaration. Subsection (g)(10).

The requirements imposed by this section apply to any contract, grant, cooperative agreement or loan, loan insurance commitments, or loan guarantee entered into or made after the date of enactment of this act. Subsection (e)(3).

BUDGETARY IMPACT OF BILL

PREPARED BY THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93-344, AS AMENDED.

(In millions of dollars)

	Budget authority		Outlays
	Committee allocation	Amount of bill	
Committee allocation	10,846	11,442	10,596
Amount of bill			10,788
Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1990: Subcommittee on Interior and Related Agencies			
Projections of outlays associated with budget authority recommended in the bill:			
1990			1,775
1991			2,612
1992			590
1993			188
1994 and future year			14
Financial assistance to State and local governments for 1990 in the bill			395
Direct loans	13	13	41
Loan guarantees			
Credit authority estimates, fiscal year 1990			41

* Includes advance appropriations.
 * Includes outlays from prior-year budget authority.
 * Excludes outlays from prior-year budget authority.

NOTE: The subcommittee is within its discretionary allocation. Estimates of mandatory programs exceed budget restriction assumptions.

Subsection (c)(2)(A) would subject each person who fails to file or amend a declaration as required under subsection (b), to a civil penalty of \$100,000 for each such failure to file. Filing after commencement of administrative action to impose a civil penalty would not serve to relieve the person of liability for initial failure to file. Subsection (c)(2)(B). Subsection (c)(5) would authorize an agency to cancel or terminate any contract, grant, cooperative agreement, loan, loan guaranty, or loan insurance made with any person if such person violates the filing requirements of subsection (b).

Subsection (e)(2)(A) would exempt from the filing requirement payments of reasonable compensation made to regularly employed officers or employees of a person requesting or receiving a Federal contract, grant, cooperative agreement, loan, or commitment providing for the United States to insure or guarantee a loan made by such person.

Subsection (e)(2)(B) would exempt requests for or receipt of contracts, grants, or cooperative agreements that do not exceed \$50,000. Subsection (e)(2)(C) would exempt loans or commitments providing for the United States to insure or guarantee loans that do not exceed \$150,000. These provisions exclude from the filing requirements transactions that are unlikely to involve exorbitant consulting fees. The loan exemption would exclude from the filing requirements most individuals who obtain Federal loans, loan guaranties, or insurance for their residences.

The inspector general or comparable agency official (if the agency does not have an inspector general) would be required each year to submit to Congress as part of the agency's annual budget justification an evaluation of the compliance with, and the effectiveness of, the requirements imposed by this section on an agency or person. Subsection (d).

Subsection (f) provides for vigorous enforcement of the requirements imposed by this section.

Subsection (g) establishes the meaning of certain words as used in this section.

"Recipient of a Federal contract, grant, loan, or cooperative agreement" is defined to make clear that it applies to subrecipients in the covered categories as well as the direct recipients. Subsection (g)(1).

"Agency" has the same definition for the term as that appearing in 5 U.S.C. § 552(f). Subsection (g)(2).

"Person" is intended to cover the entire range of legally recognized entities that do business with the Federal Government including corporations, companies, associations, authorities, firms, partnerships, societies, States and local governments. Subsection (g)(3).

"State" and "local government" are terms that are intended to comprehensively cover the many forms of organizations that perform governmental duties and powers and are recipients of Federal funds under many specific and general statutory authorities. Subsection (g)(4) and (5).

"Federal contract," "Federal grant," and "Federal Cooperative Agreement" refer primarily to these three instruments as described in 31 U.S.C. §§ 6303-6305.