

the national emergency declared on January 23, 1995, and the measures that took effect on January 24, 1995, to deal with that emergency. This action was taken in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)).

2. On January 25, 1995, the Department of the Treasury issued a notice listing persons blocked pursuant to Executive Order 12947 who have been designated by the President as terrorist organizations threatening the Middle East peace process or who have been found to be owned or controlled by, or to be acting for or on behalf of, these terrorist organizations (60 Fed. Reg. 5084, January 25, 1995). The notice identified 31 entities that act for or on behalf of the 12 Middle East terrorist organizations listed in the Annex to Executive Order 12947, as well as 18 individuals who are leaders or representatives of these groups. In addition, the notice provided 9 name variations or pseudonyms used by the 18 individuals identified. The list identifies blocked persons who have been found to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process or to have assisted in, sponsored, or provided financial, material, or technological support for, or services in support of, such acts of violence, or are owned or controlled by, or act for or on behalf of other blocked persons. The Department of the Treasury issued three additional notices adding the names of three individuals, as well as their pseudonyms, to the List of SDTs (60 Fed. Reg. 41152, August 11, 1995; 60 Fed. Reg. 44932, August 29, 1995; and 60 Fed. Reg. 58435, November 27, 1995).

3. On February 2, 1996, OFAC issued the Terrorism Sanctions Regulations (the "TSRs" or the "Regulations") (61 Fed. Reg. 3805, February 2, 1996). The TSRs implement the President's declaration of a national emergency and imposition of sanctions against certain persons whose acts of violence have the purpose or effect of disrupting the Middle East peace process. There has been one amendment to the TSRs, 31 C.F.R. Part 595 administered by the Office of Foreign Assets Control of the Department of the Treasury, since my report of August 5, 1997. The Regulations were amended on August 25, 1997. General reporting, recordkeeping, licensing, and other procedural regulations were moved from the Regulations to a separate part (31 C.F.R. Part 501) dealing solely with such procedural matters (62 Fed. Reg. 45098, August 25, 1997). A copy of the amendment is attached.

4. Since January 25, 1995, OFAC has issued three licenses pursuant to the Regulations. These licenses authorize payment of legal expenses of individuals and the disbursement of funds for normal expenditures for the maintenance of family members of individuals designated pursuant to Executive Order 12947, and for secure storage of tangible assets of Specially Designated Terrorists.

5. The expenses incurred by the Federal Government in the 6-month period from July 22, 1997, through January 22, 1998, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the national emergency with respect to organizations that disrupt the Middle East peace process are estimated at approximately \$165,000. These data do not reflect certain costs of operations by the intelligence and law enforcement communities.

6. Executive Order 12947 provides this administration with a tool for combating fundraising in this country on behalf of organizations that use terror to undermine the Middle East peace process. The order makes it harder for such groups to finance these criminal activities by cutting off their access to sources of support in the United States and to U.S. financial facilities. It is also intended to reach charitable contributions to designated organizations and individuals to preclude diversion of such donations to terrorist activities.

Executive Order 12947 demonstrates the United States determination to confront and combat those who would seek to destroy the Middle East peace process, and our commitment to the global fight against terrorism. I shall continue to exercise the powers at my disposal to apply economic sanctions against extremists seeking to destroy the hopes of peaceful coexistence between Arabs and Israelis as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, January 27, 1998.

#### MESSAGES FROM THE HOUSE

At 10:31 a.m., a message from the House of Representatives, delivered by Ms. Goetz, 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. 3042. An act to amend the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 to establish the United States Institute for Environmental Conflict Resolution to conduct environmental conflict resolution and training, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 131. Concurrent resolution acknowledging 1998 as the International Year of the Ocean and expressing the sense of Congress regarding the ocean.

#### MEASURE REFERRED

The following concurrent resolution was read and referred as indicated:

H. Con. Res. 131. Concurrent resolution acknowledging 1998 as the International Year of the Ocean and expressing the sense of Congress regarding the ocean; to the Committee on Commerce, Science, and Transportation.

#### MEASURE PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent and placed on the calendar:

H.R. 3042. An act to amend the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 to establish the United States Institute for Environmental Conflict Resolution to conduct environmental conflict resolution and training, and for other purposes.

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mrs. FEINSTEIN:

S. 1576. A bill to amend the Clean Air Act to permit the exclusive application of California State regulations regarding reformulated gasoline in certain areas within the State; to the Committee on Environment and Public Works.

By Mr. CHAFEE (for himself, Mr. HATCH, Ms. SNOWE, Mr. ROBERTS, Mr. SPECTER, and Ms. COLLINS):

S. 1577. A bill to amend the Internal Revenue Code of 1986 to provide additional tax relief to families to increase the affordability of child care, and for other purposes; to the Committee on Finance.

By Mr. MCCAIN (for himself, Mr. COATS, Mr. FAIRCLOTH, and Mr. ASHCROFT):

S. 1578. A bill to make available on the Internet, for purposes of access and retrieval by the public, certain information available through the Congressional Research Service web site; to the Committee on Rules and Administration.

By Mr. DEWINE (for himself, Mr. JEFFORDS, Mr. KENNEDY, Mr. WELLSTONE, Mr. HARKIN, Mr. FRIST, Ms. COLLINS, Mr. DODD, Mr. REED, Mr. CHAFEE, and Mr. BINGAMAN):

S. 1579. A bill to amend the Rehabilitation Act of 1973 to extend the authorizations of appropriations for such Act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. SHELBY:

S. 1580. A bill to amend the Balanced Budget Act of 1997 to place an 18-month moratorium on the prohibition of payment under the medicare program for home health services consisting of venipuncture solely for the purpose of obtaining a blood sample, and to require the Secretary of Health and Human Services to study potential fraud and abuse under such program with respect to such services; to the Committee on Finance.

By Mr. LUGAR (for himself, Mr. HARKIN, Mr. MCCONNELL, and Mr. LEAHY):

S. 1581. A bill to reauthorize child nutrition programs, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ROBB:

S. 1582. A bill to provide market transition assistance for quota holders, active tobacco producers, and tobacco-growing counties, to authorize a private Tobacco Production Control Corporation and tobacco loan associations to control the production and marketing and ensure the quality of tobacco in the United States, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

# SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. LOTT (for himself, Mr. DASCHLE, Mr. MCCAIN, Mr. LEAHY, Mr. HELMS, Mr. DODD, Mr. BROWNBACK, Mr. BRYAN, Mr. WARNER, Mr. CLELAND, Mr. STEVENS, Mr. TORRICELLI, Mr. MACK, Mr. KERRY, Mr. COVERDELL, Mr. BYRD, Mr. SMITH of Oregon, Mr. MOYNIHAN, Mr. THOMAS, Mr. WYDEN, Mr. GORTON, Mr. GRAHAM, Mr. FAIRCLOTH, Mr. HOLLINGS, Ms. COLLINS, Mr. AKAKA, Mr. INHOFE, Mr. CONRAD, Mr. GRAMS, Mr. ROBB, Mr. BENNETT, Mr. SPECTER, and Mr. HAGEL):

S. Con. Res. 71. A concurrent resolution condemning Iraq's threat to international peace and security.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. FEINSTEIN:

S. 1576. A bill to amend the Clean Air Act to permit the exclusive application of California State regulations regarding reformulated gasoline in certain areas within the State; to the Committee on Environment and Public Works.

THE MTBE CLEAN AIR ACT AMENDMENT ACT OF 1998

Mrs. FEINSTEIN. Mr. President, I rise today to introduce legislation which will amend the Clean Air Act to allow California to operate its own reformulated gasoline program, which is stricter than the federal program and meets the air quality requirements set forth in the 1990 Clean Air Act.

### WHAT THE BILL DOES

The bill provides that if a state's reformulated gasoline rules achieve equal or greater emissions reductions than federal regulation, that state's rules will take precedence. This works to exempt California from overlapping federal oxygenate requirements.

The bill is the Senate version of legislation introduced last year in the House by Congressman BRIAN BILBRAY (R-San Diego) and cosponsored by 46 members of the California Congressional delegation.

The bill applies only to states which have received waivers under Section 209(b)(1) of the Clean Air Act, for which California is the only state currently eligible for such a waiver.

By exempting California from the oxygenate requirement, this legislation will give gasoline manufacturers the flexibility to reduce or even eliminate the use of gasoline oxygenates, such as methyl tertiary butyl ether (MTBE)—which has been detected in alarming amounts in California groundwater.

The legislation allows the companies who serve California's gasoline needs to continue to adopt better methods of producing California Cleaner Burning gasoline, without being restricted by oxygenate requirements.

### CALIFORNIA AIR QUALITY HISTORY

California's efforts to improve air quality predate similar federal efforts,

and have achieved marked success in reducing toxic emission levels, resulting in the cleanest air Californians have seen in decades. This trend will continue with the passage of this bill.

Since the introduction of the California Cleaner Burning Gasoline program, there has been a 300 ton per day decrease in ozone forming ingredients found in the air. This is the emission reduction equivalent of taking 3.5 million automobiles off the road. California reformulated gasoline reduces smog forming emissions from vehicles by 15 percent.

The state has also has seen a marked decrease in first stage smog alerts, during which residents with respiratory ailments are encouraged to stay indoors.

California Environmental Protection Agency Chairman John Dunlop, who supports this legislation, says:

... our program has proven (to have) a significant effect on California's air quality. Following the introduction of California's gasoline program in the spring of 1996, monitor levels of ozone ... were reduced by 10 percent in Northern California, and by 18 percent in the Los Angeles area. Benzene levels (have decreased) by more than 50 percent.

Although California has made great progress in decreasing the amount of toxins in the air, the overlap of federal regulations, on top of the strict state regulations, does not allow the state much flexibility in the design and implementation of its reformulated fuels program.

This inflexibility makes it difficult for gasoline producers to respond effectively to unforeseen problems associated with their product. Such is the case with the oxygenate MTBE leaking into California groundwater.

Refiners are bound by federal law to include an oxygenate in their gasoline, even if they can make gasoline which meets Clean Air Act emissions requirements without its use.

Thus, the need for the legislation is twofold—to streamline overlapping federal and state regulations, and to allow gasoline manufacturers the flexibility to make California Cleaner Burning Gasoline without oxygenated fuels.

### FEDERAL REFORMULATED GASOLINE REQUIREMENT HISTORY

Federal reformulated gasoline, and the oxygenate requirement included in it, came as a response to the worsening air quality of many American cities.

For many years major cities, including San Diego, Sacramento and Los Angeles, were facing serious pollution problems due to increasing amounts of smog and ozone in the air.

As the air quality worsened, people around the country began experiencing more frequent respiratory illnesses, and increased asthma attacks due to the toxins in the air.

In 1990, Congress recognized the gravity of this national problem and amended the Clean Air Act to ensure that our nation's most smoggy and polluted areas were the beneficiaries of tougher motor vehicle emission control standards.

One of these amendments directed the United States Environmental Protection Agency (EPA) to adopt a federal reformulated gasoline program for urban areas with the most serious pollution problems.

The federal reformulated gasoline program mandated that this new cleaner burning gasoline reduce emissions of benzene, a known human carcinogen, and other toxins.

The federal program also mandated that this reformulated gasoline contain 2 percent by weight oxygenate, which functions to make the gas burn more completely and efficiently.

### CALIFORNIA REFORMULATED GASOLINE

By December 1994, the oxygenate requirement went into effect. In California, this mandate affected three cities in particular, where the air quality was the worst.

Reformulated gasoline was required to be sold during the winter season in the greater Los Angeles, San Diego and Sacramento regions. This gasoline contained 11 percent MTBE, in order to meet the federal oxygenate requirement.

While federal Clean Air Act regulations were being promulgated, the California Air Resources Board developed even tougher and more stringent environmental standards. However, these standards permitted more flexibility in how they could be achieved by California's gasoline manufacturers.

By establishing a State Implementation Plan which restricts eight different properties that affect emissions of toxic air pollutants and ozone forming compounds, California's stricter regulations were approved by the U.S. EPA and are federally enforceable.

Additionally, California regulations contain an innovative predictive model which is based on the analysis of a large number of vehicle emission test studies. Refiners have the option of using this model to produce reformulated gasoline as long as its usage results in equivalent or greater reductions in emissions than federal regulations. California EPA states that the predictive model "shows that a different formulation will achieve equivalent or better air quality benefits."

While the amendments to the Clean Air Act have helped reduce emissions throughout the United States, they imposed limitations on the level of flexibility that U.S. EPA can grant to California.

The overlapping applicability of both the federal and state reformulated gasoline rules has actually prohibited gasoline manufacturers from responding as effectively as possible to unforeseen problems with their product. This bill addresses exactly this type of situation.

This legislation rewards California for its unique and effective approach in solving its own air quality problems by permitting it an exemption from federal oxygenate requirements as long as tough environmental standards are enforced.