

of April 1998; to the Committee on Governmental Affairs.

EC-5544. A communication from the Secretary of Agriculture, transmitting, pursuant to law, a management report associated with the report of the Office of Inspector General for the period October 1, 1997 through March 31, 1998; to the Committee on Governmental Affairs.

EC-5545. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Voluntary Early Retirement Authority" (RIN3206-AI25) received on June 15, 1998; to the Committee on Governmental Affairs.

EC-5546. A communication from the Members of the Railroad Retirement Board, transmitting, pursuant to law, the annual report on the Railroad Retirement Account; to the Committee on Labor and Human Resources.

EC-5547. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule regarding an amended economic analysis of labeling requirements for medical devices containing natural rubber (Docket 96N-0119) received on June 15, 1998; to the Committee on Labor and Human Resources.

EC-5548. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medical Devices; Classification/Reclassification of Immunohisto-chemistry Reagents and Kits" (RIN0910-ZA10) received on June 15, 1998; to the Committee on Labor and Human Resources.

EC-5549. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule regarding nutrition labeling and ingredient labeling of dietary supplements (RIN0910-AA59) received on June 15, 1998; to the Committee on Labor and Human Resources.

EC-5550. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Revocation of Lather Brushes Regulation; Correction" (RIN1105-AA20) received on June 15, 1998; to the Committee on Labor and Human Resources.

EC-5551. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Beverages: Bottled Water; Correction" (Docket 98N-0294) received on June 15, 1998; to the Committee on Labor and Human Resources.

EC-5552. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report on Public Health Service programs for fiscal year 1997; to the Committee on Labor and Human Resources.

EC-5553. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on the disposal of excess and surplus materials for fiscal year 1998; to the Committee on Armed Services.

EC-5554. A communication from the Director of Naval Nuclear Propulsion, Department of the Navy, transmitting, pursuant to law, the Naval Nuclear Propulsion Program's reports for 1997; to the Committee on Armed Services.

EC-5555. A communication from the Director of Administration and Management, Of-

fice of the Secretary of Defense, transmitting, pursuant to law, the report of a rule entitled "Private Organizations on DoD Installations" (RIN0790-AG53) received on June 15, 1998; to the Committee on Armed Services.

EC-5556. A communication from the Director of Administration and Management, Office of the Secretary of Defense, transmitting, pursuant to law, the report of a rule entitled "Conduct on the Pentagon Reservation" received on June 15, 1998; to the Committee on Armed Services.

EC-5557. A communication from the Director of Defense Procurement, Office of the Under Secretary of Defense (Acquisition and Technology), transmitting, pursuant to law, the report of a rule entitled "Defense Federal Acquisition Regulation Supplement; Contractor Use of Nonimmigrant Aliens—Guam" (Case 97-D318) received on June 12, 1998; to the Committee on Armed Services.

EC-5558. A communication from the Director of Defense Procurement, Office of the Under Secretary of Defense (Acquisition and Technology), transmitting, pursuant to law, the report of a rule entitled "Defense Federal Acquisition Regulation Supplement; Contract Distribution to Defense Finance and Accounting Service Offices" (Case 97-D039) received on June 12, 1998; to the Committee on Armed Services.

EC-5559. A communication from the Director of Defense Procurement, Office of the Under Secretary of Defense (Acquisition and Technology), transmitting, pursuant to law, the report of a rule entitled "Defense Federal Acquisition Regulation Supplement; Antiterrorism Training" (Case 97-D016) received on June 12, 1998; to the Committee on Armed Services.

EC-5560. A communication from the Director of Defense Procurement, Office of the Under Secretary of Defense (Acquisition and Technology), transmitting, pursuant to law, the report of a rule entitled "Defense Federal Acquisition Regulation Supplement; Use of Auctions, Spot Bids, or Retail Sales of Surplus Contractor Inventory by the Contractor" (Case 97-D004) received on June 12, 1998; to the Committee on Armed Services.

EC-5561. A communication from the Assistant Secretary for Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Exports of Humanitarian Goods and Services to Cuba" (RIN0694-AB49) received on June 11, 1998; to the Committee on Commerce, Science, and Transportation.

EC-5562. A communication from the Assistant Secretary for Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Effect of Imported Articles on the National Security" (RIN0694-AB58) received on June 11, 1998; to the Committee on Commerce, Science, and Transportation.

EC-5563. A communication from the Assistant Secretary for Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Defense Priorities and Allocations System" (RIN0694-AB58) received on June 11, 1998; to the Committee on Commerce, Science, and Transportation.

EC-5564. A communication from the Deputy Associate Administrator for Procurement, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of two rules regarding revisions to the NASA FAR supplement and to the NASA grant handbook received on June 15, 1998; to the Committee on Commerce, Science, and Transportation.

EC-5565. A communication from the Deputy Associate Administrator for Procurement, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of a rule entitled "NASA FAR

Supplement; Miscellaneous Changes" received on June 15, 1998; to the Committee on Commerce, Science, and Transportation.

EC-5566. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report on the National Transportation Safety Board's recommendations to the Secretary for calendar year 1997; to the Committee on Commerce, Science, and Transportation.

EC-5567. A communication from the Director of the National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "NOAA Climate and Global Change Program, Program Announcement" (RIN0648-ZA39) received on June 15, 1998; to the Committee on Commerce, Science, and Transportation.

EC-5568. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Low Speed Vehicles" (RIN2127-AG58) received on June 15, 1998; to the Committee on Commerce, Science, and Transportation.

EC-5569. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the cumulative report on rescissions and deferrals dated June 9, 1998; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, to the Committee on the Budget, to the Committee on Agriculture, Nutrition, and Forestry, to the Committee on Commerce, Science, and Transportation, to the Committee on Energy and Natural Resources, to the Committee on Environment and Public Works, to the Committee on Finance, to the Committee on Foreign Relations, to the Committee on Indian Affairs.

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committees were submitted:

By Mr. THOMPSON, from the Committee on Governmental Affairs:

Deidre A. Lee, of Oklahoma, to be Administrator for Federal Procurement Policy.

G. Edward DeSeve, of Pennsylvania, to be Deputy Director for Management, Office of Management and Budget.

(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.)

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 Mr. AKAKA:

S. 2181. A bill to amend section 3702 of title 38, United States Code, to make permanent the eligibility of former members of the Selected Reserve for veterans housing loans; to the Committee on Veterans Affairs.

By Mr. GORTON (for himself, Mr. KERREY, Mr. JEFFORDS, Mr. BUMPERS, and Mrs. MURRAY):

S. 2182. A bill to amend the Internal Revenue Code of 1986 to provide tax-exempt bond financing of certain electric facilities; to the Committee on Finance.

By Mr. HARKIN:

S. 2183. A bill to amend the Head Start Act to increase the reservation of funds for programs for low-income families with very young children, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KERREY (for himself, Mr. MOYNIHAN, Mr. BREAUX, and Mr. LIEBERMAN):

S. 2184. A bill to amend the Social Security Act to provide each American child with a KidSave Account; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mrs. BOXER, Mr. DURBIN, Mr. DODD, and Mr. REED):

S. 2185. A bill to protect children from firearms violence; to the Committee on the Judiciary.

By Mr. DORGAN (for himself and Mr. BUMPERS):

S. 2186. A bill to terminate all United States assistance to the National Endowment for Democracy, and for other purposes; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. CHAFEE:

S. Res. 250. A resolution expressing the sense of the Senate that the third Saturday in June of each year should be designated as "National Rivers Day"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. AKAKA:

S. 2181. A bill to amend section 3702 of title 38, United Code, to make permanent the eligibility of former members of the Selected Reserve for veterans housing loans; to the Committee on Veterans' Affairs.

Mr. AKAKA. Mr. President, I rise today to introduce legislation that would permanently authorize the Department of Veterans Affairs Home Loan Guaranty Program for members of the Selected Reserve.

The eligibility of National Guard and Reserve members for VA-guaranteed home loans will expire in October 1999. I believe that Section 3702 of Title 38, which allows Guard and Reserve members who complete 6 years of service to participate in the loan program, should be made permanent.

The law extending eligibility for the VA Home Loan Guaranty Program to these service members was enacted in 1992 with bipartisan support in the Senate and in the House. As the sponsor of the original bill, I am pleased with the participation of Guard and Reserve members in the program, and am committed to ensuring that their eligibility for this program continues beyond the sunset date.

With the downsizing of our active duty military forces, Guard and Reserve units are becoming an increasingly vital element of the total force. However, there are very few incentives to get qualified individuals to serve our

country in the Selected Reserve. The VA Home Loan Guaranty Program for National Guard and Reserve members is an excellent incentive to join and remain in the Selected Reserve.

Since the VA Home Loan Guaranty Program for Guard and Reserve members began in October 1992, the VA has guaranteed more than 33,000 loans through fiscal year 1996. In 1996 alone, approximately 11,000 loans totalling over \$1 billion were made. According to the VA, only 93 out of all loans made to Reservists have been foreclosed upon, for a minimal default rate of about 0.4 percent. By comparison, the foreclosure rate for loans made to other veterans was two and one-half times higher than the rate for Reservists. Furthermore, 67 percent of loans to Reservists guaranteed by the VA in fiscal year 1996 were to first time home buyers, compared to 56 percent of loans to other veterans.

As the statistics on VA-guaranteed home loans indicate, the inclusion of Guard and Reserve members actually stabilizes the financial viability of the program since this group is likely to have a lower default rate than other veterans. Reservists are generally an older, more mature, and stable group with established civilian jobs and ties to local communities.

Mr. President, it is clear that the VA Home Loan Guaranty Program is not only good for members of the Selected Reserve, it is also beneficial for the VA Home Guaranty Program. Furthermore, the local economies where the homes are purchased also benefit from this program. So, therefore, I urge my colleagues to join me in supporting this legislation. Passage of this measure will ensure that the program continues to be made available to National Guard and Reserve members who have served our country.

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

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

S. 2181

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

SECTION 1. PERMANENT ELIGIBILITY OF FORMER MEMBERS OF SELECTED RESERVE FOR VETERANS HOUSING LOANS.

Section 3702(a)(2)(E) of title 38, United States Code, is amended by striking out "For the period beginning on October 28, 1992, and ending on October 27, 1999, each veteran" and inserting in lieu thereof "Each veteran".

By Mr. GORTON (for himself, Mr. KERREY, Mr. JEFFORDS, Mr. BUMPERS, and Mrs. MURRAY):

S. 2182. A bill to amend the Internal Revenue Code of 1986 to provide tax-exempt bond financing of certain electric facilities; to the Committee on Finance.

PRIVATE USE COMPETITION REFORM ACT OF 1998

• Mr. GORTON. Mr. President today I join with Senators KERREY, JEFFORDS,

and BUMPERS, to introduce the Private Use Competition Reform Act of 1998. This legislation provides a fair balance among public financing concerns, principles of fair competition and customer choice in the electric utility industry. At the same time, it strikes an equitable balance between publicly-owned utilities and investor-owned utilities. Most importantly, it advances the interest of consumers.

The challenge in developing this legislation was to determine the middle ground. Some publicly-owned utilities would like to change the Tax Reform Act of 1986 so that all existing and all future tax-exempt debt would be protected without restrictions. Some investor-owned utilities favor elimination of tax-exempt options for municipal electric utilities, including much of their existing debt. However, this approach would threaten the existence of publicly owned utilities, and raise rates for more than 40 million consumers.

This bill will accomplish two objectives. First, it clarifies how the existing private-use requirements—the rules that limit the ability of publicly-owned utilities to sell or transport electricity to private parties from facilities financed by tax-exempt bonds—will work in a new competitive marketplace. Secondly, it provides options, with significant tradeoffs, for those utilities that need flexibility and encourages municipalities to open their transmission systems and provide retail choice to consumers.

There are three categories of debt addressed in this legislation.

The first consists of existing debt that has been issued for all segments of a public utility's system: generating plants, transmission lines, and local distribution systems. This debt was issued under the assumption that our existing system would not change, and electric utilities would remain closed and not be subject to retail competition.

The second category of debt pertains to bonds issued after the effective date of the enacted bill and used to finance new generating facilities. There is a compelling argument that this type of debt should not be tax-exempt because power generation, unlike transmission and distribution, is emerging as a competitive market.

The third category of future debt involves those areas of a utility's system that will not face competition: transmission and local distribution. Since these areas would remain *de facto* monopolies regulated by FERC or local governments and would be increasingly open to access by all market participants on a non-discriminatory basis, it is appropriate that they should continue to have access to tax-exempt financing.

This bill addresses each area differently. To enable public power systems to one up their transmission and distribution systems, it provides limited relief to existing tax-exempt debt.