

I would like to think that my colleagues on both sides of the aisle recognize the sacrifices and contributions these men and women have made. According to a recent national survey commissioned by the Disabled American Veterans, 96 percent of those polled believe our Nation has an obligation to provide ongoing disability and death benefits to veterans and their families for injuries and fatalities occurring while in the Armed Services.

Mr. Speaker, passage of this amendment is essential, and with the passage of time, it is becoming critical. As we vote today, let us remember that the basic purpose of the disability compensation program is to provide a measure of relief from the impaired earning capacity of veterans disabled as the result of their military service.

Many such disabled veterans are located in Chicago's metropolitan area where I represent the Seventh District. Four VA medical centers, Lakeside, Westside, Hines, and North Chicago, already serving a population of nearly 900,000 veterans. My point is this. Let's help those veterans needing help the most. I encourage support for this amendment.

Mr. MONTGOMERY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. STUMP. Mr. Speaker, I have no further requests for time, and I yield back to the balance of my time.

The SPEAKER pro tempore (Mr. GUTKNECHT). The question is on the motion offered by the gentleman from Arizona [Mr. STUMP] that the House suspend the rules and pass the bill, H.R. 3673, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

VETERANS' EDUCATION AND COMPENSATION BENEFITS AMENDMENTS OF 1996

Mr. STUMP. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3674) to amend title 38, United States Code, to clarify the causal relationship required between a veteran's service-connected disability and employment handicap for purposes of determining eligibility for training and rehabilitation assistance, to transfer certain educational assistance entitlements from the Post-Vietnam Era Educational Assistance Program to the Montgomery GI bill, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3674

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

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Education and Compensation Benefits Amendments of 1996".

(b) REFERENCES.—Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—VETERANS' EDUCATION PROGRAMS

SEC. 101. EMPLOYMENT HANDICAP FOR WHICH AN INDIVIDUAL MAY RECEIVE TRAINING AND REHABILITATION ASSISTANCE.

(a) DEFINITIONS.—Section 3101 is amended—
(1) in paragraph (1), by inserting ", resulting in substantial part from a disability described in section 3102(1)(A) of this title," after "impairment";

(2) in paragraph (6), by inserting "authorized under section 3120 of this title" after "assistance"; and

(3) in paragraph (7), by inserting ", resulting in substantial part from a service-connected disability rated at 10 percent or more," after "impairment".

(b) BASIC ENTITLEMENT.—Section 3102 is amended—

(1) in paragraph (1)(A)(i), by striking out "which is" and all that follows through "chapter 11 of this title" and inserting in lieu thereof "rated at 20 percent or more";

(2) in paragraph (2)(A), by striking out "which is" and all that follows through "chapter 11 of this title" and inserting in lieu thereof "rated at 10 percent"; and

(3) by amending paragraph (2)(B) to read as follows:

"(B) is determined by the Secretary to be in need of rehabilitation because of a serious employment handicap."

(c) PERIODS OF ELIGIBILITY.—Section 3103 is amended—

(1) in subsection (b)(3), by striking out "described in section 3102(1)(A)(i) of this title" and inserting in lieu thereof "rated at 10 percent or more";

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking out "particular" and inserting in lieu thereof "current"; and

(B) in paragraph (2), by striking out "veteran's employment" and inserting in lieu thereof "veteran's current employment"; and

(3) in subsection (d), by striking out "under this chapter" and inserting in lieu thereof "in accordance with the provisions of section 3120 of this title".

(d) SCOPE OF SERVICES AND ASSISTANCE.—Section 3104 is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking out "such veteran's disability or disabilities cause" and inserting in lieu thereof "the veteran has an employment handicap or"; and

(ii) by inserting "reasonably" after "goal is";

(B) in paragraph (7)(A)—

(i) by striking out "(i)"; and

(ii) by striking out ", and (ii)" and all that follows through "such Act"; and

(C) in paragraph (12), by striking out "For the most severely disabled veterans requiring" and inserting in lieu thereof "For veterans with the most severe service-connected disabilities who require"; and

(2) by striking out subsection (b) and redesignating subsection (c) as subsection (b).

(e) DURATION OF REHABILITATION PROGRAMS.—Paragraph (1) of section 3105(c) is amended by striking out "veteran's employment" and inserting in lieu thereof "veteran's current employment".

(f) INITIAL AND EXTENDED EVALUATIONS; DETERMINATIONS REGARDING SERIOUS EMPLOYMENT HANDICAP.—(1) Section 3106 is amended—

(A) in subsection (a), by striking out "described in clause (i) or (ii) of section 3102(1)(A) of this title" and inserting in lieu thereof "rated at 10 percent or more";

(B) in subsection (b), by striking out "counseling in accordance with";

(C) in subsection (c), by striking out "with extended" and inserting in lieu thereof "with an extended"; and

(D) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively, and inserting after subsection (c) the following new subsection:

"(d) In any case in which the Secretary has determined that a veteran has a serious employment handicap and also determines, following such initial and any such extended evaluation, that achievement of a vocational goal currently is not reasonably feasible, the Secretary shall determine whether the veteran is capable of participating in a program of independent living services and assistance under section 3120 of this title."

(2) Chapter 31 is amended—

(A) in section 3107(c)(2), by striking out "3106(e)" and inserting in lieu thereof "3106(f)";

(B) in section 3109, by striking out "3106(d)" and inserting in lieu thereof "3106(e)";

(C) in section 3118(c), by striking out "3106(e)" and inserting in lieu thereof "3106(f)"; and

(D) in section 3120(b), by striking out "3106(d)" and inserting in lieu thereof "3106(d) or (e)".

(g) ALLOWANCES.—Section 3108 is amended—

(1) in subsection (a)(2), by striking out "following the conclusion of such pursuit" and inserting in lieu thereof "while satisfactorily following a program of employment services provided under section 3104(a)(5) of this title"; and

(2) in subsection (f)(1)—

(A) in subparagraph (A)—

(i) by inserting "eligible for and" after "veteran is";

(ii) by striking out "chapter 30 or 34" and inserting in lieu thereof "chapter 30"; and

(iii) by striking out "either chapter 30 or chapter 34" and inserting in lieu thereof "chapter 30"; and

(B) in subparagraph (B), by striking out "chapter 30 or 34" and inserting in lieu thereof "chapter 30".

(h) EMPLOYMENT ASSISTANCE.—Paragraph (1) of section 3117(a) is amended by inserting "rated at 10 percent or more" after "disability".

(i) PROGRAM OF INDEPENDENT LIVING SERVICES AND ASSISTANCE.—Section 3120 is amended—

(1) in subsection (b), by striking out "service-connected disability described in section 3102(1)(A)" and inserting in lieu thereof "serious employment handicap resulting in substantial part from a service-connected disability described in section 3102(1)(A)(i)"; and

(2) in subsection (d), by striking out "and (b)".

(j) EFFECTIVE DATE.—(1) Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) The amendments made by subsection (a) (other than paragraph (2)), subsection (d) (other than subparagraphs (A) and (B) of paragraph (1)), and subsection (i) shall only apply with respect to claims of eligibility or entitlement to services and assistance (including claims for extension of such services and assistance) under chapter 31 of title 38, United States Code, received by the Secretary on or after the date of the enactment of this Act, including those claims based on original applications, and applications seeking to reopen, revise, reconsider, or otherwise adjudicate or readjudicate on any basis claims for services and assistance under such chapter.

SEC. 102. INCREASE IN BASIC MONTGOMERY GI BILL RATES.

(a) IN GENERAL.—Section 3015 is amended—

(1) in subsection (a)(1), by striking out "\$400" and inserting in lieu thereof "\$421.62"; and

(2) in subsection (b)(1), by striking out "\$325" and inserting in lieu thereof "\$343.51".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1996.

SEC. 103. ENROLLMENT OF CERTAIN VEAP PARTICIPANTS IN MONTGOMERY GI BILL.

(a) IN GENERAL.—Subchapter II of chapter 30 is amended by inserting after section 3018B the following new section:

"§3018C. Opportunity for certain VEAP participants to enroll

"(a) Notwithstanding any other provision of law, an individual who—

"(1) is a participant on the date of the enactment of the Veterans' Education and Compensation Benefits Amendments of 1996 in the educational benefits program provided by chapter 32;

"(2) is serving on active duty (excluding the periods referred to in section 3202(1)(C)) on such date;

"(3) before applying for benefits under this section, has completed the requirements of a secondary school diploma (or equivalency certificate) or has successfully completed the equivalent of 12 semester hours in a program of education leading to a standard college degree;

"(4) if discharged or released from active duty during the 180-day period specified in paragraph (5), is discharged or released therefrom with an honorable discharge; and

"(5) before 180 days after the date of the enactment of the Veterans' Education and Compensation Benefits Amendments of 1996, makes an irrevocable election to receive benefits under this section in lieu of benefits under chapter 32 of this title, pursuant to procedures which the Secretary of each military department shall provide in accordance with regulations prescribed by the Secretary of Defense for the purpose of carrying out this section or which the Secretary of Transportation shall provide for such purpose with respect to the Coast Guard when it is not operating as a service in the Navy;

may elect to become entitled to basic educational assistance under this chapter.

"(b) With respect to an individual who makes an election under subsection (a) to become entitled to basic educational assistance under this chapter—

"(1) the basic pay of the individual shall be reduced (in a manner determined by the Secretary of Defense) until the total amount by which such basic pay is reduced is \$1,200; or

"(2) to the extent that basic pay is not so reduced before the individual's discharge or release from active duty as specified in subsection (a)(4) of this section, the Secretary shall collect from the individual an amount equal to the difference between \$1,200 and the total amount of reductions under paragraph (1), which shall be paid into the Treasury of the United States as miscellaneous receipts.

"(c)(1) Except as provided in paragraph (3) of this subsection, an individual who is enrolled in the educational benefits program provided by chapter 32 of this title and who makes the election described in subsection (a)(5) of this section shall be disenrolled from such chapter 32 program as of the date of such election.

"(2) For each individual who is disenrolled from such program, the Secretary shall refund—

"(A) to the individual, as provided in section 3223(b) of this title and subject to subsection (b)(2) of this section, the unused contributions made by the individual to the Post-Vietnam Era Veterans Education Account established pursuant to section 3222(a) of this title; and

"(B) to the Secretary of Defense the unused contributions (other than contributions made under section 3222(c) of this title) made by such Secretary to the Account on behalf of such individual.

"(3) Any contribution made by the Secretary of Defense to the Post-Vietnam Era Veterans Education Account pursuant to subsection (c) of section 3222 of this title on behalf of any individual referred to in paragraph (1) of this subsection shall remain in such account to make payments of benefits to such individual under section 3015(f) of this title.

"(d) The procedures provided in regulations referred to in subsection (a) shall provide for notice of the requirements of subparagraphs (B), (C), and (D) of section 3011(a)(3) and of subparagraph (A) of section 3012(a)(3) of this title. Receipt of such notice shall be acknowledged in writing."

(b) CONFORMING AMENDMENTS.—(1) The table of sections at the beginning of chapter 30 is amended by inserting after the item relating to section 3018B the following new item:

"3018C. Opportunity for certain VEAP participants to enroll."

(2) Subsection (d) of section 3013 is amended by striking out "or 3018B" and inserting in lieu thereof ", 3018B, or 3018C".

(3) Subsection (f) of section 3015 is amended by inserting ", 3018B, or 3018C" after "section 3018A".

(4) Paragraph (3) of section 3035(b) is amended by striking out "or 3018B" in the matter preceding subparagraph (A) and inserting in lieu thereof ", 3018B, or 3018C".

(c) TRANSFER OF EDUCATIONAL ASSISTANCE FUNDS.—(1) Subparagraph (B) of section 3232(b)(2) is amended—

(A) by striking out ", for the purposes of section 1322(a) of title 31,"; and

(B) by striking out "as provided in such section" and inserting in lieu thereof "to the Secretary for payments for entitlement earned under subchapter II of chapter 30".

(2) Paragraph (1) of section 3035(b) of such title is amended by inserting before the period at the end the following: "and from transfers from the Post-Vietnam Era Veterans Education Account pursuant to section 3232(b)(2)(B) of this title".

(3) Subsection (a) of section 1322 of title 31, United States Code, is amended by striking out "(82)" and inserting in lieu thereof "(81)".

SEC. 104. MONTGOMERY GI BILL ELIGIBILITY FOR CERTAIN ACTIVE DUTY MEMBERS OF ARMY AND AIR NATIONAL GUARD.

(a) IN GENERAL.—Paragraph (7) of section 3002 is amended by striking out "November 29, 1989" and inserting in lieu thereof "June 30, 1985".

(b) APPLICATION.—(1) An individual may only become eligible for benefits under chapter 30 of title 38, United States Code, as a result of the amendment made by subsection (a) by making an election to become entitled to basic educational assistance under such chapter. The election may only be made within the nine-month period beginning on the date of the enactment of this Act in the manner required by the Secretary of Defense.

(2) In the case of any individual making an election under paragraph (1)—

(A) the basic pay of an individual who, while a member of the Armed Forces, makes an election under paragraph (1) shall be reduced (in a manner determined by the Secretary of Defense) until the total amount by which such basic pay is reduced is \$1,200; or

(B) to the extent that basic pay is not so reduced before the individual's discharge or release from active duty, the Secretary of

Defense shall collect from an individual who makes such an election an amount equal to the difference between \$1,200 and the total amount of reductions under subparagraph (A), which amount shall be paid into the Treasury of the United States as miscellaneous receipts.

(3) In the case of any individual making an election under paragraph (1), the 10-year period referred to in section 3031 of such title shall begin on the later of—

(A) the date determined under such section 3031; or

(B) the date the election under paragraph (1) of this subsection becomes effective.

SEC. 105. PERMANENT AUTHORITY FOR ALTERNATIVE TEACHER CERTIFICATION PROGRAMS.

Subsection (c) of section 3452 is amended by striking out "For the period ending on September 30, 1996, such" and inserting in lieu thereof "Such".

TITLE II—VETERANS' BENEFITS PROGRAMS

SEC. 201. EFFECTIVE DATE OF DISCONTINUANCE OF CERTAIN VETERANS' BENEFITS BY REASON OF DEATH OF RECIPIENT.

(a) DATE OF DISCONTINUANCE OF BENEFITS.—Section 5112(b)(1) of title 38, United States Code, is amended to read as follows:

"(1) by reason of—

"(A) the marriage or remarriage of the payee, shall be the last day of the month before the month during which such marriage or remarriage occurs; and

"(B) the death of the payee, shall be (i) the last day of the month before the month during which the death occurs, or (ii) in the case of a payee who was in receipt of compensation or pension and who has a surviving spouse who is not entitled to have benefits computed under section 5310 of this title for the month in which the death occurs, the date on which the death occurs;".

(b) PAYMENT OF BENEFIT FOR FINAL MONTH.—Section 5112 of such title is further amended by adding at the end the following new subsection:

"(d) In the case of discontinuance of payment of compensation or pension covered by subsection (b)(1)(B)(ii), the payment for the final calendar month (or any portion thereof) for which such benefit is payable shall (notwithstanding any other provision of law) be payable to the surviving spouse."

(c) COMMENCEMENT DATE FOR DIC.—Section 5110(d) of such title is amended by adding at the end the following new paragraph:

"(3) Notwithstanding paragraph (1), the effective date of an award of dependency and indemnity compensation for which application is received within one year from the date of death shall, in the case of a surviving spouse who is not entitled to have benefits computed under section 5310 of this title for the month in which the death occurs, be the day following the date on which the death occurred."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to the death of compensation and pension recipients occurring after October 1, 1997.

SEC. 202. INCREASE IN PERIOD FOR WHICH ACCRUED BENEFITS PAYABLE.

Subsection (a) of section 5121 is amended by striking out "one year" in the matter preceding paragraph (1) and inserting in lieu thereof "two years".

SEC. 203. INCREASE IN AUTOMOBILE ALLOWANCE.

(a) IN GENERAL.—Subsection (a) of section 3902 is amended by striking out "\$5,500" and inserting in lieu thereof "\$6,500".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to purchases of automobiles and other

conveyances on or after the date of the enactment of this Act.

SECTION 204. LEGAL ASSISTANCE FOR FINANCIALLY NEEDY VETERANS IN CONNECTION WITH COURT OF VETERANS APPEALS PROCEEDINGS.

(a) IN GENERAL.—Subchapter III of chapter 72 is amended by adding at the end the following new section:

“§ 7287. Legal assistance for financially needy veterans in proceedings before the Court

“(a)(1) The Court of Veterans Appeals shall provide funds in order to provide financial assistance by grant or contract to legal assistance entities for purposes of programs described in subsection (b). Such funds shall be provided from amounts transferred to the Court under subsection (c)(1) or specifically appropriated to the Court for the purposes of this section.

“(2) The Court shall seek to provide funds for such purpose through a nonprofit organization selected by it. If the Court determines that there exists no nonprofit organization that would be an appropriate recipient of funds under this section for the purposes referred to in paragraph (1) and that it is consistent with the mission of the Court, the Court shall provide financial assistance, by grant or contract, directly to legal assistance entities for purposes of permitting such entities to carry out programs described in subsection (b).

“(b)(1) A program referred to in subsection (a) is any program under which a legal assistance entity uses financial assistance under this section to provide assistance or carry out activities (including assistance, services, or activities referred to in paragraph (3)) in order to ensure that individuals described in paragraph (2) receive, without charge, legal assistance in connection with decisions to which section 7252(a) of this title may apply or with other proceedings before the Court.

“(2) An individual referred to in paragraph (1) is any veteran or other person who—

“(A) is or seeks to be a party to an action before the Court; and

“(B) cannot, as determined by the Court or the entity concerned, afford the costs of legal advice and representation in connection with that action.

“(3) Assistance, services, and activities under a program described in this subsection may include the following for individuals described in paragraph (2) in connection with proceedings before the Court:

“(A) Financial assistance to defray the expenses of legal advice or representation (other than payment of attorney fees) by attorneys, clinical law programs of law schools, and veterans service organizations.

“(B) Case screening and referral services for purposes of referring cases to pro bono attorneys and such programs and organizations.

“(C) Education and training of attorneys and other legal personnel who may appear before the Court by attorneys and such programs and organizations.

“(D) Encouragement and facilitation of the pro bono representation by attorneys and such programs and organizations.

“(4) A legal assistance entity that receives financial assistance described in subsection (a) to carry out a program under this subsection shall make such contributions (including in-kind contributions) to the program as the nonprofit organization or the Court, as the case may be, shall specify when providing the assistance.

“(5) A legal assistance entity that receives financial assistance under subsection (a) to carry out a program described in this subsection may not require or request the payment of a charge or fee in connection with

the program by or on behalf of any individual described in paragraph (2).

“(c)(1)(A) From amounts appropriated to the Department for each of fiscal years 1997 through 2003 for the payment of compensation and pension, the Secretary shall transfer to the Court the amount specified under subparagraph (B) for each such fiscal year, and such funds shall be available for use by the Court only in accordance with this section.

“(B) The amount to be transferred to the Court under subparagraph (A) for any fiscal year is \$700,000 for fiscal year 1997 and the same amount for each succeeding fiscal year through fiscal year 2003 increased by 3 percent per year, reduced for any such fiscal year by such amount as may otherwise be specifically appropriated for the purposes of the program under this section for that fiscal year.

“(2) The Court shall provide funds available to it for the purposes of the program under this section to a nonprofit organization described in subsection (a)(1). Such funds shall be provided to such organization in advance or by way of reimbursement, to cover some or all of the administrative costs of the organization in providing financial assistance to legal assistance entities carrying out programs described in subsection (b).

“(3) Funds shall be provided under this subsection pursuant to a written agreement entered into by the Court and the organization receiving the funds.

“(d) A nonprofit organization may—

“(1) accept funds, in advance or by way of reimbursement, from the Court under subsection (a)(1) in order to provide the financial assistance referred to in that subsection;

“(2) provide financial assistance by grant or contract to legal assistance entities under this section for purposes of permitting such entities to carry out programs described in subsection (b);

“(3) administer any such grant or contract; and

“(4) accept funds, in advance or by way of reimbursement, from the Court under subsection (c) in order to cover the administrative costs referred to in that subsection.

“(e)(1) Not later than February 1 of each year, the Court shall submit to Congress a report on the funds and financial assistance provided under this section during the preceding fiscal year. Based on the information provided the Court by entities receiving such funds and assistance, each report shall—

“(A) set forth the amount, if any, of funds provided to nonprofit organizations under paragraph (1) of subsection (a) during the fiscal year covered by the report;

“(B) set forth the amount, if any, of financial assistance provided to legal assistance entities pursuant to paragraph (1) of subsection (a) or under paragraph (2) of that subsection during that fiscal year;

“(C) set forth the amount, if any, of funds provided to nonprofit organizations under subsection (c) during that fiscal year; and

“(D) describe the programs carried out under this section during that fiscal year.

“(2) The Court may require that any nonprofit organization and any legal assistance entity to which funds or financial assistance are provided under this section provide the Court with such information on the programs carried out under this section as the Court determines necessary to prepare a report under this subsection.

“(f) For the purposes of this section:

“(1) The term ‘nonprofit organization’ means any not-for-profit organization that is involved with the provision of legal assistance to persons unable to afford such assistance.

“(2) The term ‘legal assistance entity’ means a not-for-profit organization or veter-

ans service organization capable of providing legal assistance to persons with respect to matters before the Court.

“(3) The term ‘veterans service organization’ means an organization referred to in section 5902(a)(1) of this title, including an organization approved by the Secretary under that section.”

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7286 the following new item:

“7287. Legal assistance for financially needy veterans in proceedings before the Court.”

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona [Mr. STUMP] and the gentleman from Mississippi [Mr. MONTGOMERY] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. STUMP].

(Mr. STUMP asked and was given permission to revise and extend his remarks.)

GENERAL LEAVE

Mr. STUMP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3674.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. STUMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3674, is one of the most significant pieces of veterans legislation to be considered by the House in some time.

It is probably the largest expansion of benefits for veterans since the Persian Gulf war. As provided for in the congressional budget resolution, H.R. 3674 increases a variety of veterans' benefits by the total of \$230 million over the next 6 years.

This bill: Increases the Montgomery GI bill active duty monthly basic rate by \$5, to a total of \$421.62 per month. Allows certain active duty servicemembers in the post-Vietnam era educational assistance program to transfer into the Montgomery GI bill.

Provides Montgomery GI bill eligibility for certain active duty members of the Army and Air National Guard. Makes permanent, the authority for alternative teacher certificate programs. Allows a surviving spouse to retain compensation or pension payments prorated to the date of death instead of the end of the month before the veteran died.

Increases from 1 year to 2 years, the period of time for which accrued benefits are payable to a surviving spouse in the case of a veteran who dies while a claim is being adjudicated. Increases the maximum one-time allowance for the purchase of an automobile by a severely disabled veteran from \$5,500 to \$6,500.

And the bill authorizes funds for the pro bono legal assistance program in connection with proceedings before the U.S. Court of Veterans Appeals.

Mr. Speaker, all these benefit improvements are offset by a provision clarifying the causal relationship required between a veterans' service-connected disability and an employment handicap for purposes of determining eligibility for vocational rehabilitation. In addition to my distinguished colleague, SONNY MONTGOMERY, I want to thank the chairmen and ranking members of all three of our subcommittees and all members of the Committee on Veterans' Affairs for their contribution to this legislation.

Several committee members authored separate bills which have made their way into H.R. 3674. Additionally, Mr. Speaker, I want to acknowledge the contribution of this legislation made by the distinguished chairman of the Budget Committee, Mr. KASICH.

He and his staff worked very closely with the Veterans' Affairs Committee during this year's budget debate to work out an agreement allowing this bill to be considered within the context of the committee's balanced budget proposal.

□ 1400

Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana [Mr. BUYER], the chairman of the Subcommittee on Education and Training.

Mr. BUYER. I thank the chairman for yielding me this time.

Mr. Speaker, H.R. 3674 is really a consolidation of several bills taken up by two benefits subcommittees. I would like to thank my colleague, TERRY EVERETT, for this work, on this bill, along with my other colleagues in the leadership, SONNY MONTGOMERY and BOB STUMP; and also great appreciation to the professional staff for the job that they have done on this bill.

This bill contains several notable provisions that will enhance a wide variety of benefits and will spend about \$229 million over the next 6 years to increase veterans benefits. The remaining \$56 million will go to deficit reduction.

I would like to take a moment and say what we really seek to do is override the Court of Veterans Appeals decision in Davenport versus Brown. It will clarify the causal relationship required between a veteran's service-connected disability and an employment handicap, for purposes of determining eligibility for vocational rehabilitation.

It is my understanding in the Davenport versus Brown, Mr. Davenport, an attorney, with a 10-percent service-connected disability for a foot fungus wanted both rehabilitation in the form of a master's degree program in cinema so he could move to California for work in the movie industry. The VA denied the claim, saying that the fungus did not cause him an employability problem. He then appealed to the Court of Veterans Appeals, who then said that the service-connected disability did not have to cause an employability prob-

lem, merely had to be a service disability and have a employability problem due to any cause to get voc rehabilitation.

I disagree with the decision of the Court of Veterans Appeals and so do many of my colleagues in this body. We have worked in a bipartisan fashion to draft this bill. Section 101, in fact, will override the Court of Veterans Appeals decision in Davenport versus Brown by reestablishing the longstanding requirement that a veteran's employment handicap be the result of a service-connected disability in order to qualify for vocational rehabilitation benefits.

Section 102 would increase the basic monthly rate for the Montgomery GI bill benefits by \$5 to \$421.62 for 3-year enlistees and \$343.51 for 2-year enlistees. That is an increase in veterans benefits over 6 years of \$92 million.

Section 103 of this bill will allow active duty service members to transfer from the old post Vietnam Era Education Assistance Program, known as VEAP, to the Montgomery GI bill under chapter 30. Under VEAP, a veteran could expect a maximum benefit of \$8,100. Under the Montgomery GI bill, a veteran can expect a minimum of about \$15,500 for a 3-year enlistment. This will increase veterans benefits by \$18 million over 6 years.

Section 104 of this bill will offer active duty Army or Air Force National Guard members who are not eligible for any sort of education benefit to participate in the Montgomery GI bill. These are Guardsmen and women who enlisted between June 30, 1985 and November 29, 1989. We are increasing veterans benefits by \$14 million over 6 years.

Section 105 would make permanent the program to provide GI bill funding for veterans enrolled in programs designed to certify teachers through non-traditional education institutions. We are increasing veterans benefits by \$6 million over 6 years.

Section 201 will allow a surviving spouse to retain compensation or pension payments prorated to the day of death instead of the end of the month before a veteran died. We are increasing veterans benefits by over \$70 million over 6 years.

Section 202 increases the period of time for which accrued benefits are payable to a surviving spouse to 2 years. These are spouses of veterans who die while their claim is being adjudicated. We are doing this because of the large increase in adjudication time at VBA. We are increasing veterans benefits under this provision by \$17 million over 6 years.

Section 203 would increase the maximum, one-time auto purchase allowance from \$5,500 to \$6,500. The allowance is available only to severely disabled veterans if their disability is service-connected. We are increasing veterans benefits in this provision by \$6 million over 6 years.

Section 204 will keep the pro bono legal representation program at the

Court of Veterans Appeals alive by directing VA transfer \$700,000 per year from the C&P account to the court. The pro bono program provides legal representation of financially needy veterans in connection with proceedings before the U.S. Court of Veterans Appeals at no cost to the veterans. We are increasing veterans benefits by this provision \$6 million over 6 years.

That is a total increase in veterans benefits by this committee of \$229 million over 6 years. I think that is an excellent action.

A lot of things go out and get CNN headline news. It is a shame when we are working in this Congress that the work of my dear colleagues, SONNY MONTGOMERY and BOB STUMP, doing great things on behalf of veterans, is not shown.

This is virtually our only opportunity in this Congress to make these kinds of program improvements. These are good provisions that will make a difference in the lives of thousands of veterans and surviving spouses. It is a bipartisan bill.

I thank all the Members on both sides of the aisle for their support, and I urge the full support of this bill by my colleagues.

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

To the gentleman from Indiana [Mr. BUYER] just in the well, this is important legislation. What we are doing is helping the young veteran, and it certainly should be pointed out that the legislation we have brought up today is very, very beneficial for our veterans and their dependents.

This last bill, H.R. 3674, as amended, does include several provisions that would improve the GI bill and make it available to more veterans. The monthly benefits have been mentioned, if they go to school, a \$5 a month increase allows service members participating in the old VEAP program that was after the Vietnam war, a program to enroll in the GI bill. It provides eligibility for educational benefits to certain active duty members of the National Guard. These active duty members are known as AGR's. It also makes permanent a program to encourage veterans to become teachers.

Mr. Speaker, a \$5 a month increase does not sound like a lot of money, but there are a lot of people out there getting these educational benefits, and anything we can do to encourage more veterans to use this program we think is worthwhile.

I want to thank the gentleman from Arizona [Mr. STUMP], chairman, and the gentleman from Indiana [Mr. BUYER], the gentleman from Alabama [Mr. EVERETT], the gentleman from Illinois [Mr. EVANS], the gentleman from California [Mr. FILNER], and other members of the committee for supporting us on this bill. I am very pleased with the recent Department of Defense report that said that the GI bill is the best recruiting tool that the military

has. It is really better than the cash benefits. But really the main purpose of the GI bill is to help veterans readjust to civilian life when they leave the military service. Over 2 million young men and women have chosen to participate in the Montgomery GI bill since the program started in 1985.

Mr. Speaker, this bill has brought in a lot of money, of the \$100 a month the active duty people pay for 12 months, has brought in more than \$2 billion. So this has really helped the cost of the program, and it has not been a heavy cost, to the taxpayer.

I want to say that this has brought qualified young people into the military service. We need quick learners now that the type of equipment we have in the military is very sophisticated and these young people need to have quick minds. We believe the educational benefits bring in the qualified people.

Mr. Speaker, the last veterans' bill, H.R. 3674, as amended, includes several provisions that would improve the Montgomery GI bill and make it available to more veterans. It increases the monthly benefit for veterans going to school by \$5 a month, it allows servicemembers participating in the old VEAP program to enroll in the GI bill, and it provides eligibility for education benefits to certain active duty members of the National Guard. It also makes permanent a program to encourage veterans to become teachers.

A \$5 per month increase doesn't sound like a lot of money, but anything we can do to encourage more veterans to use this program is worthwhile. I want to thank Mr. STUMP, Mr. BUYER, and the other members for supporting VA on this.

Mr. Speaker, I am very pleased with a recent Department of Defense [DOD] report concerning the Montgomery GI bill. Recruiters from all services say this program is the best recruitment tool they have, and DOD strongly supports the GI bill's continuation. The principal purpose of the GI bill is to help veterans readjust to civilian life. The best news is that, in March of this year, 95 percent of all new active-duty recruits chose to enroll in the GI bill. This means that over 11,000 young men and women will have the means to further their education—in addition to the over 2 million recruits who have chosen to participate in the Montgomery GI bill since the program began in 1985.

Additionally, Mr. Speaker, I would like my colleagues to know that since the GI bill's establishment, more than \$2 billion have been returned to the Treasury because of the basic pay reduction required under the GI bill for active duty service members.

This program has been a winner in every way. The GI bill has enabled the services to recruit the bright young people they need, it has been a cost-effective program and, most important, millions of fine men and women will have an opportunity to go to school that they might not have had but for the GI bill.

I want to commend Mr. EVANS for sponsoring the provision in this bill which would allow the VA to pay 2 years in back benefits to the survivor of a veteran whose claim is allowed after his or her death. Mr. EVANS, in tandem with TERRY EVERETT, the chairman of the Subcommittee on Compensation, Pensions, Insur-

ance and Memorial Affairs, has worked hard and searched for the best ways to improve veterans programs within that subcommittee's jurisdiction.

Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. FILNER].

Mr. FILNER. I thank the gentleman for yielding me this time.

Mr. Speaker, I will not take up time by again summarizing this bill. I do, though, want to particularly point out two of the provisions in H.R. 3674. First, this measure would provide a modest increase in the benefits paid under the Montgomery GI bill—active duty. As the costs of education continue to rise, we must ensure that the GI bill is a meaningful readjustment benefit that provides an adequate level of assistance to our veteran students. Additionally, in a recent report, the Department of Defense cautioned that we must pay close attention to the benefit levels paid under the Montgomery GI bill if this program is to continue to be an effective recruitment tool.

Next, a provision of H.R. 3674 would permit certain active-duty individuals who have eligibility under the Veterans' Educational Assistance Program, known as VEAP, to transfer to the Montgomery GI bill. By way of background, the new GI bill, as introduced by Mr. MONTGOMERY and approved by the House in 1984, would have permitted all servicemembers with VEAP eligibility to transfer to the new program. The new GI bill was a far more generous program than VEAP, and SONNY wanted those members of the Armed Forces who were VEAP-eligibles to have the opportunity to enroll in the more attractive program. Unfortunately, the then-chairman and ranking member of the Senate Armed Services Committee, both of whom were opposed to the new GI bill, refused to accept this provision. The only way to reach a compromise and establish the new program was to accept the Senate restrictions on eligibility. Since then, however, SONNY has taken every opportunity to move individuals out of the VEAP program and into the Montgomery GI bill. H.R. 3674 continues his good work, and will enable yet another group of servicemembers to establish Montgomery GI bill eligibility.

The Montgomery GI bill has been a landmark program, and I am proud to have the opportunity make it even stronger and better.

Mr. STUMP. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. FOX], a member of the committee.

Mr. FOX of Pennsylvania. Mr. Speaker, I want to thank Chairman STUMP for yielding time and for his leadership with this legislation. I am grateful for his assistance including provisions to authorize the exceptional veterans pro bono legal representation program within the bill. I would also like to thank Mr. MONTGOMERY, the ranking member; Mr. BUYER, Mr. EVERETT, Mr.

HUTCHINSON, Mr. EVANS, Mr. MASCARA, Mr. BILIRAKIS, Mr. TEJEDA, Mr. WELLER, Mr. STEARNS, and my other colleagues on the committee for their strong support of our legislation to authorize the outstanding pro bono legal program which represents veterans before the Court of Veterans Appeals.

Mr. Speaker, the pro bono program provides countless hours of volunteer legal service to veterans who would otherwise be unable to be represented before the Court of Veterans Appeals.

This exceptional initiative helps veterans secure the rights and benefits that they have earned by virtue of their dedicated service to our great Nation. Moreover, the program improves the efficiency of the court and provides training to lawyers to assist veterans across the Nation.

In fiscal year 1994 the pro bono program volunteer attorneys provided over 15,000 hours of service and a remarkable 77 percent of their veteran clients were successful in overturning the initial decision of the board. Not surprisingly, the program has broad support from the court and veterans service organizations and has received commendations from Supreme Court Chief Justice William Rehnquist.

After hearing from the Court of Veterans Appeals, the pro bono program, the veterans service organizations, the Department of Veterans Affairs, and the Veterans Law Section of the Federal Bar Association, I introduced H.R. 3943 to provide statutory authorization for this tremendous service initiative.

□ 1415

Accordingly, I am delighted that this legislation was included within the bill that we have here today, H.R. 3674. But I would also like to express my gratitude to the Committee on Veterans' Affairs, the staff, the pro bono program, the Court of Veterans Appeals, and the veterans service organizations for their help on the bill.

Again I thank the gentleman from Arizona [Mr. STUMP], the chairman, and the gentleman from Mississippi [Mr. MONTGOMERY], the ranking member, for their leadership on this important legislation we will act on today.

Mr. MONTGOMERY. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. EVANS].

Mr. EVANS. Mr. Speaker, I first want to thank all those Members, particularly the gentleman from Pennsylvania [Mr. FOX], for sponsoring the provision to authorize funds for the pro bono legal assistance program. The veterans who have been awarded benefits by the Court of Veterans Appeals as a result of the legal assistance provided by the program fully understand the importance of this program and the need for this program in the future to be available to veterans who need it. I want to commend the gentleman from Arizona, Chairman STUMP, the gentleman from Indiana, Subcommittee Chairman BUYER and the gentleman from Alabama, Subcommittee Chairman EVERETT, as well as the gentleman

from Mississippi, Ranking Member SONNY MONTGOMERY and the gentleman from California, BOB FILNER, for all their hard work on this legislation.

This bill makes a number of enhancements to the Montgomery GI bill, a program I have been pleased to name. We had an amendment in the committee to name it the Montgomery GI bill, and I was pleased to offer that amendment. By providing an opportunity for more service members to enroll in the Montgomery GI bill, we increase the educational opportunities for deserving Americans, and by increasing the benefit level wherever we can we signify our commitment to the education needs of our veterans and service members.

Mr. Speaker, I am not sure I will have another opportunity on this floor to express my thoughts about my colleague the gentleman from Mississippi, Congressman SONNY MONTGOMERY. I believe every veteran in this country owes the gentleman a debt of gratitude for his work and commitment to serving veterans. Through his work, particularly on establishing the GI bill program, he has left a legacy that will be long remembered. He has earned the title "Mr. Veteran."

The gentleman has been a faithful guardian and protector of the veterans of this Nation, and we will miss him very much. I want to personally offer my appreciation for his many years of service on the Committee on Veterans Affairs and the Committee on National Security and to wish him the very best in the future.

Mr. STUMP. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. GILMAN], the chairman of the Committee on International Relations.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I am pleased to rise in strong support of this measure, the veterans educational compensation benefits amendments, and to commend our committee's distinguished chairman, the gentleman from Arizona [Mr. STUMP], and his ranking minority member partner, the distinguished gentleman from Mississippi [Mr. MONTGOMERY]. These two gentlemen have kept our veterans' affairs and their benefits right before the American public, before the Congress, and we owe them a deep debt of gratitude for doing what they are doing to keep our veterans in good stead.

This legislation now before us makes several adjustments to veterans compensation programs. It makes improvements to the Montgomery GI bill, a historic measure. The bill increases the monthly basic Montgomery GI bill rates.

The most significant change to education benefits is that veterans will now have to prove that their employment handicaps are directly related to service-connected disabilities in order to be eligible for training and vocational rehabilitation benefits.

This legislation also allows a surviving spouse to retain compensation or pension payments pro rated until the day of death, instead of the end of the previous month before the veteran died, as under current law.

Furthermore, the payment period for accrued benefits is increased from 1 to 2 years, and the maximum allowance provided by the VA Secretary for the purchase of an automobile is increased from \$5,500 to \$6,500.

Finally, funding is authorized for financial assistance, by contract or grant, to legal assistance entities to represent financially needy veterans in proceedings before the U.S. Court of Veterans Appeals, enabling them to pursue their appeal properly.

Mr. Speaker, this bill provides for numerous improvements to veterans compensation and education benefits programs. I strongly urge its passage.

Again, I want to thank the leadership of the Veterans' Affairs Committee and ranking minority member for their excellent work in helping our veterans.

Mr. STUMP. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Speaker, I am still out of breath running here from the airport, but I appreciate the gentleman from Arizona yielding me the time.

Mr. Speaker, I rise in support of H.R. 3674, the veterans educational and compensation benefits amendments. I ask unanimous consent to revise and extend my remarks.

I am pleased that a bill I introduced, H.R. 109, has been incorporated into H.R. 3674. My bill addresses a problem that confronts the surviving spouse of a recently deceased veteran. Under current law, if a veteran dies before the end of the month, even if it is only by a few hours, the surviving spouse will have that month's disability compensation revoked.

Clearly this policy creates a huge financial burden for a recent widow, especially if she is not eligible for dependency and indemnity compensation. H.R. 3674 allows a surviving spouse to retain compensation or pension payments by prorating these payments to the date of death, and therefore, provides the surviving spouse with compensation for each day the veteran lived in that final month. For example, if the veteran lives until the 15th of the month, his spouse will be allowed to keep his compensation from the 1st through the 15th.

In the 104th Congress, my legislation has received widespread bipartisan support in the House and is supported by the veterans' organizations and the VA. I want to thank Compensation Subcommittee Chairman EVERETT and Education Subcommittee Chairman BUYER for their support on this important issue.

The enactment of H.R. 3674 would recognize that the financial obligations of a veteran's household do not vanish upon the veteran's death. Rent or

mortgage payments and other bills will still come due, and a surviving spouse should not be left without any contribution from the VA for the last days of a veteran's life.

I urge my colleagues to support H.R. 3674.

Mr. MONTGOMERY. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, we have the blue sheets on each one of the four bills that we have talked about today, and if any Member would like to have one of those blue sheets, they explain each bill.

Mr. Speaker, I would like to thank my colleagues for the kind words that have been said about us today. You know, this is really what it is all about serving in Congress, the little things you are able to do that are appreciated.

Mr. Speaker, with that, I yield back the balance of my time.

Mr. STUMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in closing, let me once again acknowledge the splendid cooperation from the ranking member, my good friend the gentleman from Mississippi, SONNY MONTGOMERY, as well as the subcommittee ranking members, the gentleman from Illinois, Mr. EVANS, the gentleman from Texas, Mr. EDWARDS, the gentleman from California, Mr. FILNER. I almost forgot him, as well as my own subcommittee chairmen, the gentleman from Alabama, Mr. EVERETT, the gentleman from Arkansas, Mr. HUTCHINSON, and the gentleman from Indiana, Mr. BUYER, for all the hard work they have done. Especially I would like to thank the staff for the many hours that they have put in helping us to arrive at this point today. We take pride in being very bipartisan on this committee, and that extends down to the staff, too, and we are proud that we can do that and accomplish what we can for the veterans.

Mr. STEARNS. Mr. Speaker, in an era of international economic competition, education is more important than ever. The link between education and our economic competitiveness is clear. In this decade, 89 percent of the jobs being created require some form of post-secondary training. That is why I rise today in support of this measure which increases the monetary amount and expands access to certain members of the Army and National Guard for the Montgomery GI bill.

By allowing participants in the Veterans' Education Assistance Program to transfer into the Montgomery GI bill, veterans will be afforded a greater education benefit, and an unpopular and relatively unsuccessful program will be brought nearer to closure. It is in our Nation's best interest to provide improved education opportunities whenever possible.

This legislation represents a substantial stride toward transforming the Department of Veterans' Affairs into a more effective and efficient organization that can better serve our Nation's veterans. I urge my colleagues to support this measure and thus demonstrate its commitment to our outstanding young men and women who are the backbone of our Armed Forces.

Mr. STUMP. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GUTKNECHT). The question is on the motion offered by the gentleman from Arizona [Mr. STUMP] that the House suspend the rules and pass the bill, H.R. 3674, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EXPORT ADMINISTRATION ACT OF 1996

Mr. ROTH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 361) to provide authority to control exports, and for other purposes, as amended.

The Clerk read as follows:

H.R. 361

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

SECTION 1. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

Sec. 1. Table of contents.

TITLE I—EXPORT ADMINISTRATION

- Sec. 101. Short title.
- Sec. 102. Findings.
- Sec. 103. Policy statement.
- Sec. 104. General provisions.
- Sec. 105. Multilateral controls.
- Sec. 106. Emergency controls.
- Sec. 107. Short supply controls.
- Sec. 108. Foreign boycotts.
- Sec. 109. Procedures for processing export license applications; other inquiries.
- Sec. 110. Violations.
- Sec. 111. Controlling proliferation activity.
- Sec. 112. Administrative and judicial review.
- Sec. 113. Enforcement.
- Sec. 114. Export control authorities and procedures.
- Sec. 115. Annual report.
- Sec. 116. Definitions.
- Sec. 117. Effects on other Acts.
- Sec. 118. Secondary Arab boycott.
- Sec. 119. Conforming amendments to other laws.
- Sec. 120. Expiration date.
- Sec. 121. Savings provision.

TITLE II—NUCLEAR PROLIFERATION PREVENTION

- Sec. 201. Repeal of termination of provisions of the Nuclear Proliferation Prevention Act of 1994.
- Sec. 202. Seeking multilateral support for unilateral sanctions.
- Sec. 203. Sanctions under the Nuclear Proliferation Prevention Act of 1994.

TITLE I—EXPORT ADMINISTRATION

SEC. 101. SHORT TITLE.

This title may be cited as the "Export Administration Act of 1996".

SEC. 102. FINDINGS.

The Congress makes the following findings:

(1) Export controls are a part of a comprehensive response to national security threats. United States exports should be restricted only for significant national security, nonproliferation, and foreign policy reasons.

(2) Exports of certain commodities and technology may adversely affect the national security and foreign policy of the United States by making a significant contribution to the military potential of individual countries or by disseminating the capability to design, develop, test, produce, stockpile, or use weapons of mass destruction, missile delivery systems, and other significant military capabilities. Therefore, the administration of export controls should emphasize the control of these exports.

(3) The acquisition of sensitive commodities and technology by those countries and end users whose actions or policies run counter to United States national security or foreign policy interests may enhance the military capabilities of those countries, particularly their ability to design, develop, test, produce, stockpile, use, and deliver nuclear, chemical, and biological weapons, missile delivery systems, and other significant military capabilities. This enhancement threatens the security of the United States and its allies, and places additional demands on the defense budget of the United States. Availability to countries and end users of items that contribute to military capabilities or the proliferation of weapons of mass destruction is a fundamental concern of the United States and should be eliminated through negotiations and other appropriate means whenever possible.

(4) With the growing importance of exports to sustained United States economic growth and vitality, restrictions on exports must be evaluated in terms of their effects on the United States economy.

(5) Export controls cannot be the sole instrument of the United States to prevent a country or end user from developing weapons of mass destruction. For this reason, export controls should be applied as part of a comprehensive response to security threats.

(6) The national security of the United States depends not only on wise foreign policies and a strong defense, but also a vibrant national economy. To be truly effective, export controls should be applied uniformly by all suppliers.

(7) International treaties, such as the Chemical Weapons Convention, and international agreements and arrangements intended to control, lessen, or eliminate weapons of mass destruction should be fully implemented by, among other things, imposing restrictions on imports and exports of designated items, monitoring, and transmitting reports on, the production, processing, consumption, export, and import of designated items, and complying with verification regimes mandated by such treaties, agreements, and arrangements.

(8) Except in the event the United States is the sole source of critical supplies, unilateral export controls are generally not truly effective in influencing the behavior of other governments or impeding access to controlled items. Unilateral controls alone may impede access to United States sources of supply without affecting the ability of countries to obtain controlled items elsewhere. Moreover, unilateral controls generally permit foreign competitors to serve markets the United States Government denies to United States firms and workers, thus impairing the reliability of United States suppliers in comparison with their foreign competitors. At the same time, the need to lead the international community or overriding national security or foreign policy interests may justify unilateral controls in specific cases.

(9) The United States recognizes the importance of comprehensive enforcement measures to maximize the effectiveness of multilateral controls.

(10) The United States export control system must not be overly restrictive or bu-

reaucratic, or undermine the competitive position of United States industry. The export control system must be efficient, responsive, transparent, and effective.

(11) Export restrictions that negatively affect the United States industrial base may ultimately weaken United States military capabilities and lead to dependencies on foreign sources for key components.

(12) Minimization of restrictions on exports of agricultural commodities and products is of critical importance to the maintenance of a sound agricultural sector, to a positive contribution to the balance of payments, to reducing the level of Federal expenditures for agricultural support programs, and to United States cooperation in efforts to eliminate malnutrition and world hunger.

(13) Minimization of restrictions on the export of information technology products and services is of critical importance to United States leadership in removing obstacles to the effective development of a superior global information infrastructure and the new jobs and markets, increased trade and information flows, improved national security, and new tools for the improvement of the quality of life for people globally that will be created.

(14) The United States should play a leading role in promoting transparency and responsibility with regard to the transfers of conventional armaments and sensitive dual-use goods and technologies.

SEC. 103. POLICY STATEMENT.

It is the policy of the United States to do the following:

(1) To stem the proliferation of weapons of mass destruction, and the means to deliver them, and other significant military capabilities by—

(A) leading international efforts to control the proliferation of chemical and biological weapons, nuclear explosive devices, missile delivery systems, and other significant military capabilities;

(B) controlling involvement of United States persons in, and contributions by United States persons to, foreign programs intended to develop weapons of mass destruction, missiles, and other significant military capabilities, and the means to design, test, develop, produce, stockpile, or use them; and

(C) implementing international treaties or other agreements or arrangements concerning controls on exports of designated items, reports on the production, processing, consumption, and exports and imports of such items, and compliance with verification programs.

(2) To restrict the export of items—

(A) that would significantly contribute to the military potential of countries so as to prove detrimental to the national security of the United States or its allies; or

(B) where necessary to further significantly the foreign policy of the United States or to fulfill its declared international commitments.

(3) To—

(A) minimize uncertainties in export control policy; and

(B) encourage trade with all countries with which the United States has diplomatic or trading relations, except those countries with which such trade has been determined by the President to be against the national interest.

(4) To restrict export trade when necessary to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of foreign demand.

(5) To further increase the reliance of the United States upon multilateral coordination of controls through effective control regimes that maintain lists of controlled items