

“(i) IN GENERAL.—Such term shall not include any amount paid or incurred in connection with—

“(I) influencing legislation,

“(II) participation in, or intervention in, any political campaign on behalf of (or in opposition to) any candidate for public office,

“(III) any attempt to influence the general public, or segments thereof, with respect to elections, legislative matters, or referendums, or

“(IV) any direct communication with a covered executive branch official in an attempt to influence the official actions or positions of such official.

“(ii) EXCEPTION FOR LOCAL LEGISLATION.—In the case of any legislation of any local council or similar governing body—

“(I) clause (i)(I) shall not apply, and

“(II) such term shall include all ordinary and necessary expenses (including, but not limited to, traveling expenses described in subparagraph (A)(iii) and the cost of preparing testimony) paid or incurred during the taxable year in carrying on any trade or business—

“(aa) in direct connection with appearances before, submission of statements to, or sending communications to the committees, or individual members, of such council or body with respect to legislation or proposed legislation of direct interest to the taxpayer, or

“(bb) in direct connection with communication of information between the taxpayer and an organization of which the taxpayer is a member with respect to any such legislation or proposed legislation which is of direct interest to the taxpayer and to such organization, and that portion of the dues so paid or incurred with respect to any organization of which the taxpayer is a member which is attributable to the expenses of the activities carried on by such organization.

“(iii) APPLICATION TO DUES OF TAX-EXEMPT ORGANIZATIONS.—Such term shall include the portion of dues or other similar amounts paid by the taxpayer to an organization which is exempt from tax under this subtitle which the organization notifies the taxpayer under section 6033(e)(1)(A)(ii) is allocable to expenditures to which clause (i) applies.

“(iv) INFLUENCING LEGISLATION.—For purposes of this subparagraph—

“(I) IN GENERAL.—The term ‘influencing legislation’ means any attempt to influence any legislation through communication with any member or employee of a legislative body, or with any government official or employee who may participate in the formulation of legislation.

“(II) LEGISLATION.—The term ‘legislation’ has the meaning given that term in section 4911(e)(2).

“(v) OTHER SPECIAL RULES.—

“(I) EXCEPTION FOR CERTAIN TAXPAYERS.—In the case of any taxpayer engaged in the trade or business of conducting activities described in clause (i), clause (i) shall not apply to expenditures of the taxpayer in conducting such activities directly on behalf of another person (but shall apply to payments by such other person to the taxpayer for conducting such activities).

“(II) DE MINIMIS EXCEPTION.—

“(aa) IN GENERAL.—Clause (i) shall not apply to any in-house expenditures for any taxable year if such expenditures do not exceed \$2,000. In determining whether a taxpayer exceeds the \$2,000 limit, there shall not be taken into account overhead costs otherwise allocable to activities described in subclauses (I) and (IV) of clause (i).

“(bb) IN-HOUSE EXPENDITURES.—For purposes of provision (aa), the term ‘in-house expenditures’ means expenditures described in subclauses (I) and (IV) of clause (i) other than payments by the taxpayer to a person

engaged in the trade or business of conducting activities described in clause (i) for the conduct of such activities on behalf of the taxpayer, or dues or other similar amounts paid or incurred by the taxpayer which are allocable to activities described in clause (i).

“(III) EXPENSES INCURRED IN CONNECTION WITH LOBBYING AND POLITICAL ACTIVITIES.—Any amount paid or incurred for research for, or preparation, planning, or coordination of, any activity described in clause (i) shall be treated as paid or incurred in connection with such activity.

“(vi) COVERED EXECUTIVE BRANCH OFFICIAL.—For purposes of this subparagraph, the term ‘covered executive branch official’ means—

“(I) the President,

“(II) the Vice President,

“(III) any officer or employee of the White House Office of the Executive Office of the President, and the 2 most senior level officers of each of the other agencies in such Executive Office, and

“(IV) any individual serving in a position in level I of the Executive Schedule under section 5312 of title 5, United States Code, any other individual designated by the President as having Cabinet level status, and any immediate deputy of such an individual.

“(vii) SPECIAL RULE FOR INDIAN TRIBAL GOVERNMENTS.—For purposes of this subparagraph, an Indian tribal government shall be treated in the same manner as a local council or similar governing body.

“(viii) CROSS REFERENCE.—

“**For reporting requirements and alternative taxes related to this subsection, see section 6033(e).**

“(e) CARRYOVER OF EXCESS DEDUCTIONS.—

“(1) IN GENERAL.—If the aggregate deductions for any taxable year exceed the gross active income for such taxable year, the amount of the deductions specified in subsection (d) for the succeeding taxable year (determined without regard to this subsection) shall be increased by the sum of—

“(A) such excess, plus

“(B) the product of such excess and the 3-month Treasury rate for the last month of such taxable year.

“(2) 3-MONTH TREASURY RATE.—For purposes of paragraph (1), the 3-month Treasury rate is the rate determined by the Secretary based on the average market yield (during any 1-month period selected by the Secretary and ending in the calendar month in which the determination is made) on outstanding marketable obligations of the United States with remaining periods to maturity of 3 months or less.”

(b) CONFORMING REPEALS AND REDESIGNATIONS.—

(1) REPEALS.—The following subchapters of chapter 1 of subtitle A and the items relating to such subchapters in the table of subchapters for such chapter 1 are repealed:

(A) Subchapter B (relating to computation of taxable income).

(B) Subchapter C (relating to corporate distributions and adjustments).

(C) Subchapter D (relating to deferred compensation, etc.).

(D) Subchapter G (relating to corporations used to avoid income tax on shareholders).

(E) Subchapter H (relating to banking institutions).

(F) Subchapter I (relating to natural resources).

(G) Subchapter J (relating to estates, trusts, beneficiaries, and decedents).

(H) Subchapter L (relating to insurance companies).

(I) Subchapter M (relating to regulated investment companies and real estate investment trusts).

(J) Subchapter N (relating to tax based on income from sources within or without the United States).

(K) Subchapter O (relating to gain or loss on disposition of property).

(L) Subchapter P (relating to capital gains and losses).

(M) Subchapter Q (relating to readjustment of tax between years and special limitations).

(N) Subchapter S (relating to tax treatment of S corporations and their shareholders).

(O) Subchapter T (relating to cooperatives and their patrons).

(P) Subchapter U (relating to designation and treatment of empowerment zones, enterprise communities, and rural development investment areas).

(Q) Subchapter V (relating to title 11 cases).

(2) REDESIGNATIONS.—The following subchapters of chapter 1 of subtitle A and the items relating to such subchapters in the table of subchapters for such chapter 1 are redesignated:

(A) Subchapter E (relating to accounting periods and methods of accounting) as subchapter B.

(B) Subchapter F (relating to exempt organizations) as subchapter C.

(C) Subchapter K (relating to partners and partnerships) as subchapter D.

**SEC. 03. REPEAL OF ESTATE AND GIFT TAXES.**

Subtitle B (relating to estate, gift, and generation-skipping taxes) and the item relating to such subtitle in the table of subtitles is repealed.

**SEC. 04. ADDITIONAL REPEALS.**

Subtitles H (relating to financing of presidential election campaigns) and J (relating to coal industry health benefits) and the items relating to such subtitles in the table of subtitles are repealed.

**SEC. 05. EFFECTIVE DATES.**

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this title apply to taxable years beginning after December 31, 1997.

(b) REPEAL OF ESTATE AND GIFT TAXES.—The repeal made by section 03 applies to estates of decedents dying, and transfers made, after December 31, 1997.

(c) TECHNICAL AND CONFORMING CHANGES.—The Secretary of the Treasury or the Secretary's delegate shall, as soon as practicable but in any event not later than 90 days after the date of enactment of this title, submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a draft of any technical and conforming changes in the Internal Revenue Code of 1986 which are necessary to reflect throughout such Code the changes in the substantive provisions of law made by this title.

#### 1998 EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR RECOVERY FROM NATURAL DISASTERS, AND FOR OVERSEAS PEACEKEEPING EFFORTS

##### CRAIG AMENDMENT NO. 2069

Mr. STEVENS (for Mr. CRAIG) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 36, strike lines 6 through 10 and insert in lieu thereof the following:

(b)(1) For any previously scheduled projects that are referred to in, but not authorized pursuant to, subsection (a)(1), the Chief may, to the maximum extent practicable, prepare and authorize substitute

projects within the same state to be offered or initiated in fiscal year 1998 or fiscal year 1999. Such projects shall be subject to the requirements of subsection (a)(2).

#### DASCHLE AMENDMENT NO. 2070

Mr. STEVENS (for Mr. DASCHLE) proposed an amendment to the bill, S. 1768, *supra*; as follows:

On page 18, following line 5, insert the following:

An additional amount for emergency river and shoreline repairs along the Missouri River in South Dakota to be conducted at full Federal expense, \$2,500,000, to remain available until expended: Provided, That the Secretary of the Army is authorized and directed to obligate and expend the funds appropriated for South Dakota emergency river and shoreline repair if the Secretary of the Army certifies that such work is necessary to provide flood related benefits: Provided further, That the Corps of Engineers shall not be responsible for the future costs of operation, repair, replacement or rehabilitation of the project. Provided further, That the entire amount shall be available only to the extent an official budget request of \$2,500,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

#### COCHRAN (AND OTHERS) AMENDMENT NO. 2071

Mr. STEVENS (for Mr. COCHRAN, Mr. BUMPERS, Mr. D'AMATO, and Mrs. BOXER) proposed an amendment to the bill, S. 1768, *supra*; as follows:

On page 5, after line 3, insert the following:  
"TREE ASSISTANCE PROGRAM

"An amount of \$8,700,000 is provided for assistance to replace or rehabilitate trees and vineyards damaged by natural disasters: Provided, That the entire amount is available only to the extent that an official budget request for \$8,700,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act."

#### BOXER AMENDMENT NO. 2072

Mr. STEVENS (for Mrs. BOXER) proposed an amendment to the bill, S. 1768, *supra*; as follows:

On page 18, following line 5, insert the following:

An additional amount for emergency levee repairs at Suisun Marsh, California to be conducted at full Federal expense, \$1,100,000, to remain available until expended: Provided, That the Secretary of the Army is authorized and directed to obligate and expend the funds appropriated for the Suisun Marsh, California levee repair to proceed with engineering and design and reconstruction if the Secretary of the Army certifies that such work is necessary to provide flood control benefits in the vicinity of Suisun Marsh, California: Provided further, That the Corps

of Engineers shall not be responsible for the future costs of operation, repair, replacement or rehabilitation of the project: Provided further, That the entire amount shall be available only to the extent an official budget request of \$1,100,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

#### INOUE AMENDMENT NO. 2073

Mr. STEVENS (for Mr. INOUE) proposed an amendment to the bill, S. 1768, *supra*; as follows:

On page 18, following line 5, insert the following:

An additional amount for emergency maintenance dredging at Apra Harbor, Guam to be conducted at full Federal expense, \$1,400,000, to remain available until expended: Provided, That the Secretary of the Army is authorized and directed to obligate and expand the funds appropriated for the Apra Harbor, Guam emergency maintenance dredging if the Secretary of the Army certifies that such work is in the national interest: Provided further, That the Corps of Engineers shall not be responsible for the future costs of operation, repair, replacement or rehabilitation of the project: Provided further, That the entire amount shall be available only to the extent an official budget request of \$1,400,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

#### COCHRAN (AND BUMPERS) AMENDMENT NO. 2074

Mr. STEVENS (for Mr. COCHRAN, for himself and Mr. BUMPERS) proposed an amendment to the bill, S. 1768, *supra*; as follows:

On page 3, line 3, strike "and".

On page 3, line 4, before the period, add "": and for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, \$222,000".

#### BOXER AMENDMENT NO. 2075

Mr. STEVENS (for Mrs. BOXER) proposed an amendment to the bill, S. 1768, *supra*; as follows:

On page 45, line 13, after the words, "highway program made available by this Act", insert the following: "": *Provided further*, That 23 U.S.C. 125(b)(1) shall not apply to projects resulting from the Fall 1997 and Winter 1998 flooding in the western States".

#### LOTT (AND OTHERS) AMENDMENT NO. 2076

Mr. STEVENS (for Mr. LOTT, for himself, Mr. LIEBERMAN, Mr. GREGG, Mr. HOLLINGS, Mr. KYL, Mr. STEVENS, Mr. MCCONNELL, Mr. HELMS, Mr. SHELBY, Mr. BROWNBACK, and Mr. KERREY) proposed an amendment to the bill, S. 1768, *supra*; as follows:

At the appropriate place in title II of the bill insert the following new general provisions:

#### SEC. . SUPPORT FOR DEMOCRATIC OPPOSITION IN IRAQ.

In addition to the amounts appropriated to the President under Public Law 105-118, there is hereby appropriated \$5,000,000 for the "Economic Support Fund," to remain available until September 30, 1999, for assistance to the Iraqi democratic opposition for such activities as organization, training, disseminating information, developing and implementing agreements among opposition groups, and for related purposes: Provided further, That within 30 days of enactment into law of this Act the Secretary of State shall submit a detailed report to the appropriate committees of Congress on plans to establish a program to support the democratic opposition in Iraq: Provided further, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to Congress.

#### SEC. . ESTABLISHMENT OF RADIO FREE IRAQ.

In addition to the amounts appropriated to the United States Information Agency under Public Law 105-119, there is hereby appropriated \$5,000,000 for "International Broadcasting Operations," to remain available until September 30, 1999, for a grant to Radio Free Europe/Radio Liberty for surrogate radio broadcasting to the Iraqi people: Provided, That such broadcasting shall be designated "Radio Free Iraq": Provided further, That within 30 days of enactment into law of this Act the Broadcasting Board of Governors shall submit a detailed report to the appropriate committees to Congress on plans to establish a surrogate broadcasting service to Iraq: Provided further, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to Congress.

#### LEVIN AMENDMENT NO. 2077

Mr. LEVIN proposed an amendment to the bill S. 1768, *supra*; as follows:

On page 15, after line 21, insert the following:

SEC. 205. (a) Congress urges the President to enter into an agreement with the North Atlantic Treaty Organization (NATO) that sets forth—

(1) the benchmarks that are detailed in the report accompanying the certification that was made by the President to Congress on March 3, 1998;

(2) a schedule for achieving the benchmarks; and

(3) a process for NATO to carry out a formal review of each failure, if any, to achieve any such benchmark on schedule.

(b) The President shall submit to Congress—

(1) not later than June 30, 1998, a report on the results of the efforts to obtain an agreement described in subsection (a); and

(2) semiannually after that report, a report on the progress made toward achieving the benchmarks referred to in subsection (a)(1), including a discussion of each achievement of a benchmark referred to in that subsection, each failure to achieve a benchmark on schedule, and the results of NATO's formal review of each such failure.

#### STEVENS AMENDMENT NO. 2078

Mr. STEVENS proposed an amendment to amendment No. 2077 proposed by Mr. LEVIN to the bill, S. 1768, supra; as follows:

At the end of the amendment, add the following: (c) The enactment of this section does not reflect approval or disapproval of the benchmarks submitted by the President in the certification to Congress transmitted on March 3, 1998.

#### KYL AMENDMENT NO. 2079

Mr. STEVENS (for Mr. KYL) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 15, after line 21, add the following:  
**SEC. 205.** In addition to the amounts provided in Public Law 105-56, \$151,000,000 is appropriated under the heading "Research, Development, Test and Evaluation, Defense-Wide": *Provided*, That the additional amount shall be made available for enhancements to selected theater missile defense programs to counter enhanced ballistic missile threats: *Provided further*, That of the additional amount appropriated, \$45,000,000 shall be made available only for the procurement of items and equipment required for a third Arrow missile defense battery: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for \$151,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

#### ASHCROFT AMENDMENT NO. 2080

Mr. ASHCROFT proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place, insert the following:

#### TITLE \_\_\_\_—FAMILY FRIENDLY WORKPLACE

##### SEC. \_\_\_\_1. SHORT TITLE.

This title may be cited as the "Family Friendly Workplace Act".

##### SEC. \_\_\_\_2. PURPOSES.

The purposes of this title are—  
 (1) to assist working people in the United States;

(2) to balance the demands of workplaces with the needs of families;

(3) to provide such assistance and balance such demands by allowing employers to offer compensatory time off, which employees may voluntarily elect to receive, and to establish biweekly work programs, in which employees may voluntarily participate; and

(4) to give private sector employees the same benefits of compensatory time off, biweekly work schedules, as have been enjoyed by Federal Government employees since 1978.

##### SEC. \_\_\_\_3. WORKPLACE FLEXIBILITY OPTIONS.

###### (a) COMPENSATORY TIME OFF.—

(1) IN GENERAL.—Section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) is amended by adding at the end the following:

"(r) COMPENSATORY TIME OFF FOR PRIVATE EMPLOYEES.—

###### "(1) VOLUNTARY PARTICIPATION.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), no employee may be required under this subsection to receive compensatory time off in lieu of monetary overtime compensation. The acceptance of compensatory time off in lieu of monetary overtime compensation may not be a condition of employment.

"(B) COLLECTIVE BARGAINING AGREEMENT.—In a case in which a valid collective bargaining agreement exists between an employer and the representative of the employees that is recognized as provided for in section 9(a) of the National Labor Relations Act (29 U.S.C. 159(a)), an employee may only be required under this subsection to receive compensatory time off in lieu of monetary overtime compensation in accordance with the agreement.

###### "(2) GENERAL RULE.—

"(A) COMPENSATORY TIME OFF.—An employee may receive, in accordance with this subsection and in lieu of monetary overtime compensation, compensatory time off at a rate not less than one and one-half hours for each hour of employment for which monetary overtime compensation is required by this section.

###### "(B) DEFINITIONS.—In this subsection:

"(i) EMPLOYEE.—The term 'employee' does not include an employee of a public agency.

"(ii) EMPLOYER.—The term 'employer' does not include a public agency.

"(3) CONDITIONS.—An employer may provide compensatory time off to employees under paragraph (2)(A) only pursuant to the following:

"(A) The compensatory time off may be provided only in accordance with—

"(i) applicable provisions of a collective bargaining agreement between the employer and the representative of the employee that is recognized as provided for in section 9(a) of the National Labor Relations Act (29 U.S.C. 159(a)); or

"(ii) in the case of an employee who is not represented by a labor organization that is recognized as provided for in section 9(a) of the National Labor Relations Act, an agreement or understanding arrived at between the employer and employee before the performance of the work involved if the agreement or understanding was entered into knowingly and voluntarily by such employee and was not a condition of employment.

"(B) The compensatory time off may only be provided to an employee described in subparagraph (A)(ii) if such employee has affirmed, in a written or otherwise verifiable statement that is made, kept, and preserved in accordance with section 11(c), that the employee has chosen to receive compensatory time off in lieu of monetary overtime compensation.

"(C) An employee shall be eligible to accrue compensatory time off if such employee has not accrued compensatory time off in excess of the limit applicable to the employee prescribed by paragraph (4).

###### "(4) HOUR LIMIT.—

"(A) MAXIMUM HOURS.—An employee may accrue not more than 160 hours of compensatory time off.

"(B) COMPENSATION DATE.—Not later than January 31 of each calendar year, the employer of the employee shall provide monetary compensation for any unused compensatory time off accrued during the preceding calendar year that was not used prior to December 31 of the preceding calendar year at the rate prescribed by paragraph (8). An employer may designate and communicate to the employees of the employer a 12-month period other than the calendar year, in which case the compensation shall be pro-

vided not later than 31 days after the end of the 12-month period.

"(C) EXCESS OF 80 HOURS.—The employer may provide monetary compensation for an employee's unused compensatory time off in excess of 80 hours at any time after providing the employee with at least 30 days' written notice. The compensation shall be provided at the rate prescribed by paragraph (8).

###### "(5) DISCONTINUANCE OF POLICY OR WITHDRAWAL.—

"(A) DISCONTINUANCE OF POLICY.—An employer that has adopted a policy offering compensatory time off to employees may discontinue the policy for employees described in paragraph (3)(A)(ii) after providing 30 days' written notice to the employees who are subject to an agreement or understanding described in paragraph (3)(A)(ii).

"(B) WITHDRAWAL.—An employee may withdraw an agreement or understanding described in paragraph (3)(A)(ii) at any time, by submitting a written notice of withdrawal to the employer of the employee. An employee may also request in writing that monetary compensation be provided, at any time, for all compensatory time off accrued that has not been used. Within 30 days after receiving the written request, the employer shall provide the employee the monetary compensation due in accordance with paragraph (8).

###### "(6) ADDITIONAL REQUIREMENTS.—

###### "(A) PROHIBITION OF COERCION.—

"(i) IN GENERAL.—An employer that provides compensatory time off under paragraph (2) to an employee shall not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any employee for the purpose of—

"(I) interfering with the rights of the employee under this subsection to request or not request compensatory time off in lieu of payment of monetary overtime compensation for overtime hours;

"(II) interfering with the rights of the employee to use accrued compensatory time off in accordance with paragraph (9); or

"(III) requiring the employee to use the compensatory time off.

"(ii) DEFINITION.—In clause (i), the term 'intimidate, threaten, or coerce' has the meaning given the term in section 13A(d)(2).

"(B) ELECTION OF OVERTIME COMPENSATION OR COMPENSATORY TIME.—An agreement or understanding that is entered into by an employer and employer under paragraph (3)(A)(ii) shall permit the employee to elect, for an applicable workweek—

"(i) the payment of monetary overtime compensation for the workweek; or

"(ii) the accrual of compensatory time off in lieu of the payment of monetary overtime compensation for the workweek."

(2) REMEDIES AND SANCTIONS.—Section 16 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216) is amended by adding at the end the following:

"(f)(1) In addition to any amount that an employer is liable under subsection (b) for a violation of a provision of section 7, an employer that violates section 7(r)(6)(A) shall be liable to the employee affected in an amount equal to—

"(A) the product of—

"(i) the rate of compensation (determined in accordance with section 7(r)(8)(A)); and

"(ii)(I) the number of hours of compensatory time off involved in the violation that was initially accrued by the employee; minus

"(II) the number of such hours used by the employee; and

"(B) as liquidated damages, the product of—

"(i) such rate of compensation; and

“(ii) the number of hours of compensatory time off involved in the violation that was initially accrued by the employee.

“(2) The employer shall be subject to such liability in addition to any other remedy available for such violation under this section or section 17, including a criminal penalty under subsection (a) and a civil penalty under subsection (e).”

(3) CALCULATIONS AND SPECIAL RULES.—Section 7(r) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207(r)), as added by paragraph (1), is amended by adding at the end the following:

“(7) TERMINATION OF EMPLOYMENT.—An employee who has accrued compensatory time off authorized to be provided under paragraph (2) shall, upon the voluntary or involuntary termination of employment, be paid for the unused compensatory time off in accordance with paragraph (8).

“(8) RATE OF COMPENSATION FOR COMPENSATORY TIME OFF.—

“(A) GENERAL RULE.—If compensation is to be paid to an employee for accrued compensatory time off, the compensation shall be paid at a rate of compensation not less than—

“(i) the regular rate received by such employee when the compensatory time off was earned; or

“(ii) the final regular rate received by such employee, whichever is higher.

“(B) CONSIDERATION OF PAYMENT.—Any payment owed to an employee under this subsection for unused compensatory time off shall be considered unpaid monetary overtime compensation.

“(9) USE OF TIME.—An employee—

“(A) who has accrued compensatory time off authorized to be provided under paragraph (2); and

“(B) who has requested the use of the accrued compensatory time off,

shall be permitted by the employer of the employee to use the accrued compensatory time off within a reasonable period after making the request if the use of the accrued compensatory time off does not unduly disrupt the operations of the employer.

“(10) DEFINITIONS.—In this subsection—

“(A) the terms ‘monetary overtime compensation’ and ‘compensatory time off’ shall have the meanings given the terms ‘overtime compensation’ and ‘compensatory time’, respectively, by subsection (o)(7); and

“(B) the term ‘unduly disrupt the operations of the employer’, used with respect to the use of compensatory time off by an employee of the employer, means to create a situation in which the absence of the employee during the time requested would likely impose a burden on the business of the employer that would prevent the employer from providing an acceptable quality or quantity of goods or services during the time requested without the services of the employee.”

(4) NOTICE TO EMPLOYEES.—Not later than 30 days after the date of enactment of this Act, the Secretary of Labor shall revise the materials the Secretary provides, under regulations contained in section 516.4 of title 29, Code of Federal Regulations, to employers for purposes of a notice explaining the Fair Labor Standards Act of 1938 to employees so that the notice reflects the amendments made to the Act by this subsection.

(b) BIWEEKLY WORK PROGRAMS.—

(1) IN GENERAL.—The Fair Labor Standards Act of 1938 is amended by inserting after section 13 (29 U.S.C. 213) the following:

“SEC. 13A. BIWEEKLY WORK PROGRAMS.

“(a) VOLUNTARY PARTICIPATION.—

“(1) IN GENERAL.—Except as provided in paragraph (2), no employee may be required

to participate in a program described in this section. Participation in a program described in this section may not be a condition of employment.

“(2) COLLECTIVE BARGAINING AGREEMENT.—In a case in which a valid collective bargaining agreement exists, an employee may only be required to participate in such a program in accordance with the agreement.

“(b) BIWEEKLY WORK PROGRAMS.—

“(1) IN GENERAL.—Notwithstanding section 7, an employer may establish biweekly work programs that allow the use of a biweekly work schedule—

“(A) that consists of a basic work requirement of not more than 80 hours, over a 2-week period; and

“(B) in which more than 40 hours of the work requirement may occur in a week of the period, except that no more than 10 hours may be shifted between the 2-weeks involved.

“(2) CONDITIONS.—An employer may carry out a biweekly work program described in paragraph (1) for employees only pursuant to the following:

“(A) AGREEMENT OR UNDERSTANDING.—The program may be carried out only in accordance with—

“(i) applicable provisions of a collective bargaining agreement between the employer and the representative of the employees that is recognized as provided for in section 9(a) of the National Labor Relations Act (29 U.S.C. 159(a)); or

“(ii) in the case of an employee who is not represented by a labor organization that is recognized as provided for in section 9(a) of the National Labor Relations Act, an agreement or understanding arrived at between the employer and employee before the performance of the work involved if the agreement or understanding was entered into knowingly and voluntarily by such employee and was not a condition of employment.

“(B) STATEMENT.—The program shall apply to an employee described in subparagraph (A)(i) if such employee has affirmed, in a written or otherwise verifiable statement that is made, kept, and preserved in accordance with section 11(c), that the employee has chosen to participate in the program.

“(3) COMPENSATION FOR HOURS IN SCHEDULE.—Notwithstanding section 7, in the case of an employee participating in such a biweekly work program, the employee shall be compensated for each hour in such a biweekly work schedule at a rate not less than the regular rate at which the employee is employed.

“(4) COMPUTATION OF OVERTIME.—All hours worked by the employee in excess of such a biweekly work schedule or in excess of 80 hours in the 2-week period, that are requested in advance by the employer, shall be overtime hours.

“(5) OVERTIME COMPENSATION PROVISION.—The employee shall be compensated for each such overtime hour at a rate not less than one and one-half times the regular rate at which the employee is employed, in accordance with section 7(a)(1), or receive compensatory time off in accordance with section 7(r) for each such overtime hour.

“(6) DISCONTINUANCE OF PROGRAM OR WITHDRAWAL.—

“(A) DISCONTINUANCE OF PROGRAM.—An employer that has established a biweekly work program under paragraph (1) may discontinue the program for employees described in paragraph (2)(A)(ii) after providing 30 days’ written notice to the employees who are subject to an agreement or understanding described in paragraph (2)(A)(ii).

“(B) WITHDRAWAL.—An employee may withdraw an agreement or understanding described in paragraph (2)(A)(ii) at the end of any 2-week period described in paragraph

(1)(A), by submitting a written notice of withdrawal to the employer of the employee.

“(d) PROHIBITION OF COERCION.—

“(1) IN GENERAL.—An employer shall not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any employee for the purpose of interfering with the rights of the employee under this section to elect or not to elect to work a biweekly work schedule.

“(B)

“(2) DEFINITION.—In paragraph (1), the term ‘intimidate, threaten, or coerce’ includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation) or effecting or threatening to effect any reprisal (such as deprivation of appointment, promotion, or compensation).

“(e) DEFINITIONS.—In this section:

“(1) BASIC WORK REQUIREMENT.—The term ‘basic work requirement’ means the number of hours, excluding overtime hours, that an employee is required to work or is required to account for by leave or otherwise.

“(2) COLLECTIVE BARGAINING.—The term ‘collective bargaining’ means the performance of the mutual obligation of the representative of an employer and the representative of employees of the employer that is recognized as provided for in section 9(a) of the National Labor Relations Act (29 U.S.C. 159(a)) to meet at reasonable times and to consult and bargain in a good-faith effort to reach agreement with respect to the conditions of employment affecting such employees and to execute, if requested by either party, a written document incorporating any collective bargaining agreement reached, but the obligation referred to in this paragraph shall not compel either party to agree to a proposal or to make a concession.

“(3) COLLECTIVE BARGAINING AGREEMENT.—The term ‘collective bargaining agreement’ means an agreement entered into as a result of collective bargaining.

“(4) ELECTION.—The term ‘at the election of’, used with respect to an employee, means at the initiative of, and at the request of, the employee.

“(5) EMPLOYEE.—The term ‘employee’ does not include an employee of a public agency.

“(6) EMPLOYER.—The term ‘employer’ does not include a public agency.

“(7) OVERTIME HOURS.—The term ‘overtime hours’—

“(A) when used with respect to biweekly work programs under subsection (b), means all hours worked in excess of the biweekly work schedule involved or in excess of 80 hours in the 2-week period involved, that are requested in advance by an employer; or

“(B) when used with respect to flexible credit hour programs under subsection (c), means all hours worked in excess of 40 hours in a week that are requested in advance by an employer, but does not include flexible credit hours.

“(8) REGULAR RATE.—The term ‘regular rate’ has the meaning given the term in section 7(e).”

(2) PROHIBITIONS.—Section 15(a)(3) of the Fair Labor Standards Act of 1938 (29 U.S.C. 215(a)(3)) is amended—

(A) by inserting “(A)” after “(3)”;

(B) by adding “or” after the semicolon; and

(C) by adding at the end the following:

“(B) to violate any of the provisions of section 13A;”

(c) LIMITATIONS ON SALARY PRACTICES RELATING TO EXEMPT EMPLOYEES.—

(1) IN GENERAL.—Section 13 of the Fair Labor Standards Act of 1938 (29 U.S.C. 213) is amended by adding at the end the following:

“(m)(1)(A) In the case of a determination of whether an employee is an exempt employee described in subsection (a)(1), the fact that the employee is subject to deductions in pay for—

“(i) absences of the employee from employment of less than a full workday; or

“(ii) absences of the employee from employment of less than a full pay period, shall not be considered in making such determination.

“(B) In the case of a determination described in subparagraph (A), an actual reduction in pay of the employee may be considered in making the determination for that employee.

“(C) For the purposes of this paragraph, the term ‘actual reduction in pay’ does not include any reduction in accrued paid leave, or any other practice, that does not reduce the amount of pay an employee receives for a pay period.

“(2) The payment of overtime compensation or other additions to the compensation of an employee employed on a salary based on hours worked shall not be considered in determining if the employee is an exempt employee described in subsection (a)(1).”

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on the date of enactment of this Act and shall apply to any civil action—

(A) that involves an issue with respect to section 13(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(a)(1)); and

(B) in which a final judgment has not been made prior to such date.

(d) PROTECTIONS FOR CLAIMS RELATING TO COMPENSATORY TIME OFF IN BANKRUPTCY PROCEEDINGS.—Section 507(a)(3) of title 11, United States Code, is amended—

(1) by striking “\$4,000” and inserting “\$6,000”;

(2) by striking “for—” and inserting the following: “except that all accrued compensatory time (as defined in section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207)) shall be deemed to have been earned within 90 days before the date of the filing of the petition or the date of the cessation of the debtor’s business, whichever occurs first, for—”;

(3) in subparagraph (A), by inserting before the semicolon the following: “or the value of unused, accrued compensatory time (as defined in section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207))”.

#### SEC. 4. TERMINATION.

The authority provided by this title, and the amendments made by this title, terminates 5 years after the date of enactment of this Act.

### PROTOCOLS TO THE NORTH ATLANTIC TREATY OF 1949 ON ACCESSION OF POLAND, HUNGARY, AND CZECH REPUBLIC

#### CRAIG EXECUTIVE AMENDMENT NO. 2081

(Ordered to lie on the table.)

Mr. CRAIG submitted an amendment intended to be proposed by him to the resolution of ratification for the treaty (Treaty Doc. No. 105-36) supra; as follows:

At the appropriate place in section 3 of the resolution, insert the following:

( ) STATUTORY AUTHORIZATION FOR DEPLOYMENTS IN BOSNIA AND HERZEGVIA.—Prior to the deposit of the United States instrument of ratification, there must be enacted a law containing specific authorization for the continued deployment of the United States Armed Forces in Bosnia and Herzegovina as part of the NATO mission in that country.

Mr. CRAIG. Mr. President, today I am filing an amendment related to the

resolution of ratification for the proposed expansion of the North Atlantic Treaty Organization.

Last May, President Clinton publicly embraced the idea of a “new NATO” mission. It is my concern that the President’s vision of a new NATO will signal the end of NATO as a defensive alliance and begin its role as a regional peacekeeping organization. The President declared:

We are building a new NATO. It will remain the strongest alliance in history, with smaller, more flexible forces, prepared to provide for our defense, but also trained for peacekeeping. It will work closely with other nations that share our hopes and values and interests through the Partnership for Peace. It will be an alliance directed no longer against a hostile bloc of nations, but instead designed to advance the security of every democracy in Europe—NATO’s old members, new members, and non-members alike.

I cannot support the President’s call for a new NATO to be the de facto regional peacekeeper in Europe. President Clinton’s peacekeeping operation in Bosnia has been going on for more than two years, without authorization from Congress, with costs mounting far above every estimate, and with mission end-dates repeatedly broken. The mission in Bosnia is now just what we were promised it would not be: an unauthorized, open-ended, no end-date, nation building deployment with no withdrawal criteria.

In 1995, President Clinton vowed that the U.S. troop deployed to Bosnia “should and will take about one year.” Three years, and \$8 billion later, the Administration now admits “we do not propose a fixed end date for the deployment.” Will the expansion of NATO be a green light for other unauthorized, open-ended, and cost missions for the U.S.?

Today I am filing an amendment which provides that before the President can deposit the instruments of ratification for NATO expansion he must receive authorization for the Bosnia mission. Let me be clear on one point: this is NOT a “war power” amendment. This does not say he cannot continue the deployment in Bosnia without authorization, nor does it cut off funds for that mission, nor does it set an end-date for that mission, nor does it establish withdrawal criteria. It does, however, require the President to cooperate with Congress to set reasonable parameters for that mission before he gets a blank check—like a “new NATO”—for more just out of area, out of Article 5 missions.

Membership in NATO is a commitment of U.S. blood. This is a responsibility that I do not take lightly. For the sake of our men and women serving in this dangerous and volatile region, the mission in Bosnia ought to be authorized by Congress.

#### CRAIG (AND HUTCHISON) EXECUTIVE AMENDMENT NO. 2082

(Ordered to lie on the table.)

Mr. CRAIG (for himself and Mrs. HUTCHISON) submitted an amendment

intended to be proposed by them to the resolution of ratification for the treaty (Treaty Doc. No. 105-36) supra; as follows:

In section 3(2)(A), strike “Prior” and insert “Subject to subparagraph (C), prior”.

In section 3(2)(B)(i), strike “Not” and insert “Subject to subparagraph (C), not later than 180 days after the date of adoption of this resolution, and not”.

At the end of section 3(2), add the following new subparagraph:

#### (C) RESOLUTION OF APPROVAL.—

(i) IN GENERAL.—Prior to the date of deposit of the United States instrument of ratification, the Senate has adopted a resolution, by an affirmative vote of two-thirds of the Senators present and voting, stating in substance the approval of the certification under subparagraph (A), and the first report required to be submitted under subparagraph (B).

(ii) PROCEDURES.—A resolution described in subparagraph (A)(ii) that is introduced on or after the date of certification under subparagraph (A)(i) shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

Mr. CRAIG. Mr. President, today I am filing an amendment to the resolution of ratification for the proposed expansion of the North Atlantic Treaty Organization.

As the Senate begins debate about expansion, I think it is fair to say that most Senators—whether they favor, oppose, or are undecided about the proposed treaty revision—can all agree that the issue of cost to the U.S. taxpayer is of great concern. Unfortunately, these costs are yet to be determined. The Administration claims the NATO expansion bill for the U.S. will be approximately \$1 billion. On the other hand, the Congressional Budget Office contends it will cost taxpayers \$125 billion. Given the enormous discrepancy between the estimates, it only makes sense that we know what actual costs will be before we make an irrevocable decision to enlarge NATO.

I would like to commend the Foreign Relations Committee for their fine work in crafting language detailing American cost obligations to NATO. However, there seems to be one problem: all of this cost related information will be made available to Congress only after the Senate’s advice and consent to expansion is final and irrevocable. That means if the information is not satisfactory to the Senate, we will have no recourse.

The amendment I am filing simply provides that the Congress has the fullest possible information as to what we will pay for, before we commit to the United States to this tremendous political and economic decision by requiring a Senate vote of approval related to cost, benefits, burden-sharing, and military implications of NATO enlargement prior to the President depositing the instruments of ratification.