

HJR

71

HOUSE STATE AFFAIRS COMMITTEE

NEXT COMMITTEE: LABOR & COMMERCE

BILL: HJR 71

CURRENT VERSION:

SCHEDULED: APRIL 22, 1988

SPONSOR: LABOR & COMMERCE

PHONE NO: GINGFA/3892

CONTACT FILE: _____

BILL SUBJECT: BIDDING ON PUBLICLY FUNDED CONSTRUCTION PROJECTS IN THE U.S. AND OTHER NATIONS

SPONSOR BACKUP: IN FILES

AFFECTED AGENCIES:

<u>DEPARTMENT</u>	<u>CONTACT/PHONE</u>	<u>COMMENT</u>
N/A		

FISCAL NOTES

<u>AGENCY</u>	<u>REQUESTED</u>	<u>DATED</u>	<u>FY 88 AMT</u>	<u>FY 89 AMT</u>
N/A		4/14/88	-0-	-0-

ACTION

<u>DATE</u>	<u>COMMENT</u>
4/22/88	HEARING: PASSED FROM STATE AFFAIRS

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

House State Affrs:

April 22, 1988

*problem: Japan, etc., which not allow U.S. construction
contractors bid on projects in their
countries*

BY THE LABOR AND
COMMERCE COMMITTEE

1 IN THE HOUSE

2

HOUSE JOINT RESOLUTION NO. 71

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

Relating to bidding on publicly funded

6

construction projects in the United

7

States and other nations.

8

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9

WHEREAS existing law provides for the establishment, operation, and

10

maintenance of foreign trade zones at the ports of entry into the United

11

States to expedite and encourage foreign commerce and for other purposes;

12

and

13

WHEREAS United States law and practice generally enable resident

14

aliens and foreign companies to become licensed contractors in the United

15

States and to enter into competitive bidding on publicly funded construc-

16

tion projects; and

17

WHEREAS United States construction companies are systematically pre-

18

cluded by the licensing, corporate, and other laws and practices of some

19

foreign nations from successfully competing for work in those nations,

20

while the citizens of those nations actively engage in the construction of

21

publicly funded projects in the United States; and

22

WHEREAS the governments in many of these countries actively subsidize

23

and assist their citizens and construction companies in a manner that is

24

prohibited by the laws of the United States; and

25

WHEREAS this subsidy and assistance gives foreign contractors an

26

unfair competitive advantage over United States contractors when bidding

27

for publicly funded construction projects in the United States; and

28

WHEREAS the United States Congress is currently considering legisla-

29

tion that would prohibit the use of fiscal year 1988 funds for public works

1 construction contracts with contractors or subcontractors of a foreign
2 country or with a supplier of products of a foreign country while the
3 foreign country is listed by the United States Trade Representative as a
4 nation that denies fair and equitable market opportunities for products and
5 services of the United States in procurement and bidding;

6 BE IT RESOLVED that the Alaska State Legislature urges the Congress to
7 incorporate amendments in all appropriation measures pending before Con-
8 gress to prohibit foreign citizens and foreign companies from bidding on
9 publicly funded construction projects in the United States while the United
10 States Trade Representative lists their country as a nation that denies
11 fair and equitable market opportunities for the products and services of
12 the United States in the procurement and bidding for certain construction
13 contracts; and be it

14 FURTHER RESOLVED that the Alaska State Legislature urges the United
15 States Congress to encourage reciprocity agreements in which the United
16 States and a foreign nation allow the citizens and companies of both
17 nations the opportunity to bid on publicly funded construction projects.

18 COPIES of this resolution shall be sent to the Honorable Ronald
19 Reagan, President of the United States; the Honorable George Bush, Vice-
20 President of the United States and President of the United States Senate;
21 the Honorable George P. Shultz, U.S. Secretary of State; the Honorable John
22 C. Stennis, President Pro Tempore of the United States Senate; the Honor-
23 able Robert C. Byrd, Majority Leader of the U.S. Senate; the Honorable Jim
24 Wright, Speaker of the U.S. House of Representatives; the Honorable Ernest
25 F. Hollings, Chairman of the Senate Committee on Commerce, Science, and
26 Transportation; the Honorable Lloyd Bentsen, Chairman of the Senate Commit-
27 tee on Finance; the Honorable Claiborne Pell, Chairman of the Senate Com-
28 mittee on Foreign Relations; the Honorable John D. Dingell, Chairman of the
29 House Committee on Energy and Commerce; the Honorable Dante B. Fascell,

1 Chairman of the House Committee on Foreign Affairs; the Honorable Dan
2 Rostenkowski, Chairman of the House Committee on Ways and Means; and to the
3 Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and
4 the Honorable Don Young, U.S. Representative, members of the Alaska delega-
5 tion in Congress.

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: N/A
 Title: BIDDING ON PUBLICLY FUNDED CONSTRUCTION BRU: _____
PROJECTS IN U.S. AND OTHER NATIONS
 Sponsor: LABOR & COMMERCE Components: _____
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: FRAN ULMER, CHAIR *FU* Phone: 465-4947
 Division: HOUSE STATE AFFAIRS COMMITTEE Date: 4/14/88

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

HJR 71

HOUSE LABOR AND COMMERCE COMMITTEE

ALASKA STATE LEGISLATURE

P.O. BOX V, JUNEAU 99811

(907) 465-3892



February 18, 1988

M E M O R A N D U M

To: Tam Cook, Director
Legislative Legal Services

From: Representative Dave Donley, Chair
House Labor and Commerce Committee

Re: Bill drafting request

I'd like a bill draft prepared for introduction by the House Labor and Commerce Committee that prohibits a citizen of any foreign country which does not permit contractors registered in Alaska to practice their trade in that country, from being registered in, or permitted to contract for construction work in Alaska.

Attached is a copy of an Assembly bill currently pending before the California legislature and a resolution from the Western Alaska Building and Construction Trades Council, Inc. to serve as backup information for the purposes of drafting this bill.

Please call me or Ginger Baim at 4954 if you have any questions or need additional information.

Introduced by Assembly Member Mountjoy

March 6, 1987

Chapter 18. Construction Contractors.

Article

- 1. Registration (§§ 08.18.011, 08.18.031 — 08.18.061)
- 2. Bond and Insurance (§§ 08.18.071, 08.18.081)
- 3. Enforcement (§§ 08.18.116 — 08.18.119, 08.18.121 — 08.18.141)
- 4. General Provisions (§ 08.18.171)

Article 1. Registration.

Section

- 11. Registration required
- 31. Certificate of registration

Section

- 41. Fees
- 51. Identification requirements

Sec. 08.18.011. Registration required. (a) It is unlawful for a person to submit a bid or work as a contractor until that person has been issued a certificate of registration by the Department of Commerce and Economic Development. A partnership or joint venture shall be considered registered if one of the general partners or venturers whose name appears in the name under which the partnership or venture does business is registered.

(b) A general contractor may not allow a person required to be registered under this chapter to work for the general contractor as a specialty contractor unless the person is registered under this chapter. (§ 2 ch 100 SLA 1988; am § 1 ch 83 SLA 1985)

Effect of amendments. — The 1985 amendment added subsection (b).

Add:

(c) No citizen of any foreign country which does not permit contractors registered in Alaska to practice their trade in that country, shall be registered in, or permitted to contract for construction work in, this state.

2073

An act to add Section 6306 to the Government Code, relating to foreign countries.

LEGISLATIVE COUNSEL'S DIGEST

AB 2118, as introduced, Mountjoy. Foreign countries: Contractors.

Existing law provides for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes.

This bill would prohibit the citizen of any foreign country which does not permit contractors licensed in this state to practice their trade in that country, from being licensed in, or permitted to contract for, construction work in this state.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 6306 is added to the Government Code, to read:

6306. No citizen of any foreign country which does not permit contractors licensed in California to practice their trade in that country, shall be licensed in, or permitted to contract for construction work in, this state.

RESOLUTION

BE IT RESOLVED by the WESTERN ALASKA BUILDING & CONSTRUCTION TRADES COUNCIL, INC.,

WHEREAS, the WESTERN ALASKA BUILDING & CONSTRUCTION TRADES COUNCIL, INC. and its constituent union representing thousands of working men and women in the state of Alaska are deeply concerned regarding unfair competition by foreign national construction companies to United States construction companies in the bidding of public works projects in the state of Alaska, and

WHEREAS, United States construction companies are systematically precluded by licensing, corporate status, regulation and other like impediments from successfully competing in several nations of the world, such as Japan, Korea, whose nationals are actively engaged in construction in the United States, and

WHEREAS, some of these countries which are engaged in construction in public projects in the state of Alaska have actively suppressed working men and women in their countries, and

WHEREAS, the governments in these countries actively subsidize and assist their national construction companies in competing in the United States, and

WHEREAS, these foreign national construction companies have a history of evading, avoiding and not adhering to standards of both construction and maintenance of dignity among working people in their projects conducted in the United States, and

WHEREAS, the United States construction companies and the American citizens who constitute those companies' work forces are unfairly and discriminatorily precluded from employment, both in this country and abroad,

BE IT RESOLVED: That the WESTERN ALASKA BUILDING & CONSTRUCTION TRADES COUNCIL, INC., its constituent union and the thousands of working men and women throughout the state of Alaska whom it represents petition the Honorable Steve Cowper, Governor of the State of Alaska, to use all the energies of his office to change the corporate laws of the State of Alaska wherein foreign national construction companies must qualify in a manner providing adequate

security to performance of obligations and duties to standards of construction; affirmative action; security and performance of job; guaranties of compliance with obligation to vendors and workmen; and like matters. That the Constitution of the United States and the Constitution of the State of Alaska provide limited protection for foreign nationals and foreign national corporations, and as a privilege of doing business in Alaska foreign national corporations should be required to comply with the highest standards in order to perform business in the state of Alaska as a corporation. That the Governor should direct the Department of Labor to vigorously enforce health and safety standards to ensure protection of the citizens of the state of Alaska. The same direction should be given to those contracting agencies of the State of Alaska in order to assure that work is performed in the highest and most responsible manner possible by the foreign national corporations. It is totally unacceptable to the working men and women in Alaska that foreign national corporations are not only allowed to bid on public works projects and to divert taxpayer dollars to foreign countries, but are encouraged to do so by certain contracting agencies within the state of Alaska. That standards which are strictly enforced against American corporations are laxly enforced against these foreign national corporations which have not - and will not - comply with the same standards applicable to American corporations. Allowing taxpayers' money to go to foreign national corporations to construct public works projects is a travesty against the citizens of this state and must immediately cease.

Dated: 10-13- , 1987

WESTERN ALASKA BUILDING &
CONSTRUCTION TRADES COUNCIL,
INC.

By:  V.P.
For: Phil Thingstad / President

(Resolution)

In lieu of the matter stricken and the matter inserted by said amendment, insert as follows: December 21, 1987.

And the Senate agree to the same. Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and the matter inserted by said amendment, insert the following:

House and the Senate and in the Joint Explanatory Statement of the Conference accompanying this Joint Resolution

And the Senate agree to the same.

Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows:

Sec. 108. (a) Notwithstanding any other provision of this Resolution or any other law, no adjustment in rates of pay under section 5305 of title 5, United States Code, which becomes effective on or after October 1, 1987, and before October 1, 1988, shall have the effect of increasing the rate of salary or basic pay for any office or position in the legislative, executive, or judicial branch or in the government of the District of Columbia—

(1) if the rate of salary or basic pay payable for that office or position as of September 30, 1987, was equal to or greater than the rate of basic pay then payable for level V of the Executive Schedule under section 5316 of title 5, United States Code; or

(2) to a rate exceeding the rate of basic pay payable for level V of the Executive Schedule under such section 5316 as of September 30, 1987, if, as of that date, the rate of salary or basic pay for that office or position was less than the rate of basic pay then payable for such level V.

(b) For purposes of subsection (a), the rate of salary or basic pay payable as of September 30, 1987, for any office or position which was not in existence on such date shall be deemed to be the rate of salary or basic pay payable to individuals in comparable offices or positions on such date, as determined under regulations prescribed—

(1) by the President, in the case of any office or position within the executive branch or in the government of the District of Columbia;

(2) jointly by the Speaker of the House of Representatives and the President pro tempore of the Senate, in the case of any office or position within the legislative branch; or

(3) by the Chief Justice of the United States, in the case of any office or position within the judicial branch.

And the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows:

Sec. 108. (a) None of the funds appropriated for fiscal year 1988 by this Resolution or any other law may be obligated or expended to enter into any contract for the construction, alteration, or repair of any public building or public work in the United States or any territory or possession of the United States with any contractor or subcontractor of a foreign country, or any supplier of products of a foreign country, during any period in which such foreign country is listed by the United States Trade Representative under subsection (c) of this section.

(b) The President or the head of a Federal agency administering the funds for the construction, alteration, or repair may waive the restrictions of paragraph (1) of this subsection with respect to an individual contract if the President or the head of such agency determines that such action is necessary in the public interest. The authority of the President or the head of a Federal agency under this paragraph may not be delegated. The President or the head of a Federal agency waiving such restrictions shall within 10 days, publish a notice thereof in the Federal Register describing in detail the contract involved and the reason for granting the waiver.

(b)(1) Not later than 30 days after the date of enactment of this Resolution, the United States Trade Representative shall make a determination with respect to each foreign country of whether such foreign country—

(A) denies fair and equitable market opportunities for products and services of the United States in procurement; or

(B) denies fair and equitable market opportunities for products and services of the United States in bidding.

for construction projects that cost more than \$500,000 and are funded (in whole or in part) by the government of such foreign country or by an entity controlled directly or indirectly by such foreign country.

(2) In making determinations under paragraph (1), the United States Trade Representative shall take into account information obtained in preparing the report submitted under section 181(b) of the Trade Act of 1974 and such other information or evidence concerning discrimination in construction projects against United States products and services that are available.

(c)(1) The United States Trade Representative shall maintain a list of each foreign country which—

(A) denies fair and equitable market opportunities for products and services of the United States in procurement; or

(B) denies fair and equitable market opportunities for products and services of the United States in bidding.

for construction projects that cost more than \$500,000 and are funded (in whole or in part) by the government of such foreign country or by an entity controlled directly or indirectly by such foreign country.

(2) Such list shall include—

(A) each foreign country with respect to which an affirmative determination is made under subsection (b); and

(B) the country of Japan and any other country which has expressed a policy of denying fair and equitable market opportunities for products and services of the United States in procurement or bidding for projects described in paragraph (1) of this subsection.

(3) Any foreign country that is initially listed or that is added to the list maintained under paragraph (1) shall remain on the list until—

(A) such country removes the barriers in construction projects to United States products and services;

(B) such country submits to the President of the United States Trade Representative evidence demonstrating that such barriers have been removed; and

(C) the United States Trade Representative conducts an investigation to verify independently that such barriers have been removed and submits, at least 30 days before granting any such waiver, a report to each House of the Congress identifying the barriers and describing the actions taken to remove them.

(4) The United States Trade Representative shall publish in the Federal Register the entire list required under paragraph (1) and

shall publish in the Federal Register any modifications to such list that are made after publication of the original list.

(d) For purposes of this section—

(1) each foreign instrumentality, and each territory or possession of a foreign country that is administered separately for customs purposes, shall be treated as a separate foreign country;

(2) any contractor or subcontractor that is a citizen or national of a foreign country, or is controlled directly or indirectly by citizens or nationals of a foreign country, shall be considered to be a contractor or subcontractor of such foreign country;

(3) subject to paragraph (d), any product that is produced or manufactured (in whole or in substantial part) in a foreign country shall be considered to be a product of such foreign country;

(4) the restrictions of subsection (a)(1) shall not prohibit the use, in the construction, alteration, or repair of a public building or public work, of vehicles or construction equipment of a foreign country; and

(5) the terms "contractor" and "subcontractor" include any person performing any architectural, engineering, or other service directly related to the preparation for or performance of the construction, alteration, or repair.

(e) Paragraph (a)(1) of this section shall not apply to contracts entered into prior to the date of enactment of this Resolution.

(f) The provisions of this section are in addition to, and do not limit or supersede, any other restrictions contained in any other Federal law.

And the Senate agree to the same.

Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert:

Sec. 116. (a) ADJUSTMENTS FOR EMPLOYEES UNDER STATUTORY PAY SYSTEMS.—

(1) TWO-PERCENT INCREASE.—Notwithstanding any other provision of law, in the case of fiscal year 1988, the overall percentage of the adjustment under section 5305 of title 5, United States Code, in the rates of pay under the General Schedule, and in the rates of pay under the other statutory pay systems (as defined by section 5301(c) of such title), shall be an increase of 2 percent.

(2) UNIFORM ADJUSTMENTS; DELAYED EFFECTIVE DATE.—Each increase in a pay rate or schedule which takes effect pursuant to paragraph (1) shall, to the maximum extent practicable, be of the same percentage and shall take effect as of the beginning of the first applicable pay period beginning on or after January 1, 1988.

(b) TWO PERCENT MILITARY PAY RAISE FOR FISCAL YEAR 1988.—Section 601 of the National Defense Authorization Act for Fiscal Years 1987 and 1988 (Public Law 100-180) is amended by striking out subsections (b), (c), and (d) and inserting in lieu thereof the following:

"(b) TWO PERCENT INCREASE IN BASIC PAY, BAO, AND BAS.—The rates of basic pay, basic allowance for quarters, and basic allowance for subsistence of members of the uniformed services are increased by 2 percent effective on January 1, 1988.

"(c) TWO PERCENT INCREASE IN CADET AND MIDSHIPMAN PAY.—Effective on January 1, 1988, section 1031(c)(1) of title 37, United States Code, is amended by striking out "540.60" and inserting in lieu thereof "550.30".

And the Senate agree to the same.

Amendment numbered 57:

496

building or public work with any contractor or subcontractor of a foreign country, or any supplier of products of a foreign country, that is identified by USTR, or by this conference report, as discriminating against U.S. firms in conducting procurements for public works projects. This prohibition extends to all Federal agencies as well as all other recipients of Federal funds. The conference agreement specifically identifies Japan as a country warranting immediate exclusion from U.S. public works contracts. This action is in direct response to recent disclosures by high ranking Japanese government officials that U.S. construction companies will not be allowed to compete freely for public works projects in Japan.

The prohibition applies to public building and public works projects anywhere in the United States or any territory or possession of the United States. The restriction covers all architect, engineering, and construction services. It also includes all products or goods except construction equipment or vehicles used during the construction, alteration, or repair which do not become part of a delivered structure, product or project. In determining the origin of a product or good, Federal agencies or recipients of Federal funds are to consider a product or good as produced in the U.S. if it has been assembled or manufactured in the United States and a substantial portion of the value added to such product or good is allocable to materials or components produced in the United States or to labor or research and development that take place in the United States. Finally, the prohibitions contained in the conference agreement are in addition to any other restrictions contained in any other Federal law, including the Buy American Act (41 U.S.C. 101-103).

The USTR is required to maintain a list which shall include all foreign countries which have been identified as denying fair and equitable market opportunities for American companies. The list shall be created at the date of enactment and shall include initially the country of Japan and any other country which has expressed a policy of denying such fair and equitable market opportunities. Not later than 30 days after enactment of the Act, the USTR is required to determine for each other foreign country whether it denies fair and equitable market opportunities for products and services of the United States in procurement or in bidding for construction projects and to include such countries on the list.

The USTR is required to take into consideration only construction projects that cost more than \$500,000 and are funded, in whole or in part, by the government of the foreign country or by an entity controlled directly or indirectly by such foreign country. In making this determination, the USTR is required to take into account information obtained in preparing the report submitted under section 181(b) of the Trade Act of 1974 and all other relevant information that is available. The USTR shall pay special attention to information which is supplied either informally or formally by U.S. architect, construction, and engineering companies.

Any country listed shall remain on the list until its government (1) removes the barriers in construction projects to United States products and services and (2) submits to the President or the USTR evidence demonstrating that such barriers have been removed. In addition, the USTR must conduct an investigation to independently verify that such barriers have been removed and submit, at least 30 days before lifting the restriction, a report to each House of Congress. The report is to describe the barriers

in detail and the specific actions that have been taken to remove them.

The President or head of the Federal agency administering the funds may waive the restrictions imposed by this section with respect to an individual contract if he or she determines that such action is necessary in the public interest. This must be done on a contract by contract basis. The authority of the President or the head of a Federal agency under this paragraph may not be delegated. When granting a waiver, the President or the head of a Federal agency is also required, within 10 days, to publish a notice of this action in the Federal Register. The notice is to describe in detail the contract involved, the specific reason for granting the waiver, and how such waiver serves the public interest.

Amendment No. 50: Deletes language proposed by the House that would have provided for reallocation among the States, for one year only, of excess carry-forward funds under title III of the Job Training Partnership Act. The Senate resolution contained no similar provision.

Amendment No. 51: House recedes to the amendment of the Senate with an amendment which provides a 2% pay adjustment in January, 1988, under Section 5305 of title 5, United States Code, for general schedule and other statutory pay systems, and amends the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180) to allow a 2% military pay raise, effective January 1, 1988.

Amendment No. 52: Senate recedes. This amendment deletes Senate language regarding a salary freeze for certain Federal elected officials, officers, and employees. This matter is included in amendment number 44.

Amendment No. 53: Deletes a provision proposed by the Senate which would have prohibited the Immigration and Naturalization Service from holding aliens, accused or convicted of a felony under State or Federal law, in a detention or processing center unless such center has been designated a Security-Level 3 or higher level correctional facility. This matter is addressed in Amendment No. 3. The House bill contained no provision on this matter.

Amendment No. 54: Deletes Senate language earmarking funds for the development of the small mobile intercontinental ballistic missile (Midgetman) and the rail-mobile basing mode for the MX missile, setting forth obligations and expenditure limitations, and establishing certain reporting requirements. This issue is addressed in connection with amendment number 3.

Amendment No. 55: Deletes Senate language expressing a sense of the Congress for a need to share the burden of protecting commercial shipping in the Persian Gulf, a need for Presidential negotiations with countries benefiting from such protection and establishing certain reporting requirements. This issue is addressed in connection with amendment number 3.

Amendment No. 56: Deletes Senate language expressing a sense of the Senate that the Secretary of Defense should name a new nuclear aircraft carrier the U.S.S. John C. Stennis. This issue is addressed in connection with amendment number 3.

ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

Amendment No. 57: Includes a modification to language proposed by the Senate concerning assistance to the Nicaraguan Democratic Resistance.

Amendment No. 58: Deletes language proposed by the Senate regarding the Hudson River Channel Deepening Project, New

York. This amendment has been included in Amendment No. 8.

Amendment No. 59: Deletes language proposed by the Senate providing that not less than \$250,000 be made available for research to prevent ice jamming on the Salmon River in Idaho. This amendment has been included in Amendment No. 8.

Amendment No. 60: Deletes language expressing the sense of the Senate that the Army Corps of Engineers not operate more than four generators simultaneously at Harry S. Truman Dam and Reservoir, Missouri.

Amendment No. 61: Deletes language proposed by the Senate renaming the Aliceville Lock and Dam and the resource management and visitor center at Aliceville Lake, Alabama. This amendment has been included in Amendment No. 8.

Amendment No. 62: The conferees agree to delete the Senate provision. The amendment is addressed in amendment No. 8.

Amendment No. 63: The conferees agree to delete the Senate provision. The amendment is addressed in Amendment No. 8.

Amendment No. 64: The conferees agree to delete the Senate provision on assistance to Pakistan. This matter is addressed in amendment No. 8.

Amendment No. 65: The conferees agree to delete the Senate provision on economic assistance to Mozambique. This issue is included in Amendment No. 8.

Amendment No. 66: The conferees agree to delete the Senate provision directing U.S. government votes against loans to Panama in the Multilateral Development Bank. This issue is included in Amendment No. 8.

Amendment No. 67: Deletes language proposed by the Senate expressing the sense of the Senate in support of a permanently manned civilian space station.

Amendment No. 68: Deletes language proposed by the Senate postponing sanctions under the Clean Air Act. This language has been included in the Department of Housing and Urban Development—Independent Agencies Appropriations Act as a general provision under the Environmental Protection Agency appropriation included in Amendment No. 7.

Amendment No. 69: Deletes language proposed by the Senate permitting certain urban areas to forgo classification as a metropolitan city under the Community Development Block Grant program until 1990. This language has been included in the Department of Housing and Urban Development—Independent Agencies Appropriations Act under the Community Development Grants paragraph included in Amendment No. 7.

Amendment No. 70: Deletes language proposed by the Senate permitting the use of the FHA General Insurance Fund to carry out insuring authority on Hawaiian Homes lands. This language has been included in the Department of Housing and Urban Development—Independent Agencies Appropriations Act under the Federal Housing Administration fund paragraph included in Amendment No. 7.

Amendment No. 71: Deletes language proposed by the Senate limiting the use of funds related to endangered species labeling. This language has been included with technical amendments in the Department of Housing and Urban Development—Independent Agencies Appropriations Act as an administrative provision under the Environmental Protection Agency appropriation included in Amendment No. 7.

Amendment No. 72: Deletes Senate language extending a land withdrawal for Nellis Air Force Range in Lincoln County, NV from December 31, 1987 to March 31,

\$500,000 to USIA's "Educational and Cultural Exchange Programs" account for the Seattle Goodwill Games. This matter is addressed in Amendment No. 2.

Amendment No. 20: Deletes section 109 proposed by the House and stricken by the Senate which would have prohibited the Immigration and Naturalization Service from denying entry into the United States to any alien who presents a nonfrivolous application for an agricultural work authorization. This matter is addressed in amendment No. 3.

Amendment No. 21: Deletes section 110 proposed by the House and stricken by the Senate which would have prohibited the Immigration and Naturalization Service from deporting illegal alien families of persons who have applied for legal status under the amnesty provisions of the Immigration Reform and Control Act.

Amendment No. 22: Deletes section 111 proposed by the House and stricken by the Senate which would have appropriated \$1,000,000 to the Commission on the Bicentennial of the Constitution for a grant to the We The People 200 Committee to cover costs of the bicentennial in Philadelphia. This matter is addressed in Amendment No. 2.

Amendment No. 23: Deletes section 112 proposed by the House and stricken by the Senate which would have prohibited the Small Business Administration from implementing section 921 of Public Law 99-561 and section 921 of Public Law 99-591 during FY 1988. This matter is addressed in Amendment No. 2.

Amendment No. 24: Deletes language proposed by the House and stricken by the Senate directing the Secretary of the Army to continue planning, design, engineering and construction of the Des Moines Recreational River and Greenbelt project. This amendment has been included in Amendment No. 6.

Amendment No. 25: Deletes language proposed by the House and stricken by the Senate modifying the Lower San Joaquin River, California, project. This amendment has been included in Amendment No. 5.

Amendment No. 26: Deletes language proposed by the House and stricken by the Senate prohibiting the implementation of a reorganization by the Bureau of Reclamation. This amendment has been included in Amendment No. 5.

Amendment No. 27: Deletes language proposed by the House and stricken by the Senate relating to the McCree Crank, Oklahoma, project. This amendment has been included in Amendment No. 5.

Amendment No. 28: Deletes language proposed by the House providing a grant for the Loma Linda University Medical Center Proton-Beam Demonstration Cancer Treatment Center. This matter is addressed in Amendment No. 5.

Amendment No. 29: Deletes language proposed by the House providing a grant for the Center for Physical and Environmental Science at East Central University, Ada, Oklahoma. This matter is addressed in Amendment No. 5.

Amendment No. 30: Deletes language proposed by the House authorizing the Federal Energy Regulatory Commission to extend the time period required for commencement of construction project 4505. This matter is addressed in Amendment No. 5.

Amendment No. 31: The conferees agree to delete the House provision. A resolution is included in Amendment No. 5.

Amendment No. 32: The conferees agree to delete the House provision on American Immigration. This issue is included in Amendment No. 5.

Amendment No. 33: Deletes language proposed by the House and stricken by the Senate extending the date for obligation of funds awarded under the rental housing development grant program from 36 to 48 months. This language has been included within the Department of Housing and Urban Development—Independent Agencies Appropriations Act within the annual contributions for assisted housing paragraph included in Amendment No. 7.

Amendment No. 34: Deletes language proposed by the House and stricken by the Senate allowing certain cooperative banks to be insured under the Federal Deposit Insurance Corporation. This language has been included within the Department of Housing and Urban Development—Independent Agencies Appropriations Act as an administrative provision under the Federal Home Loan Bank Board title included in Amendment No. 7.

Amendment No. 35: Deletes House language prohibiting expenditure of funds for issuance of a special use authorization for any project to be constructed on Lewis Fork Creek in Madera County, CA until studies are completed. This issue is addressed in Amendment No. 2.

Amendment No. 36: Deletes House language regarding the animal damage control program of the Animal and Plant Health Inspection Service since this language has been incorporated within Amendment No. 12.

Amendment No. 37: Deletes exemption of the Virginia Street Bridge, Charleston, West Virginia from the requirements of section 146(g)(2) of title 23, United States Code proposed by the House. This provision is included in the conference agreement specified under amendment number 12. The Senate bill contained no similar provision.

Amendment No. 38: Deletes authorization of \$25,000,000 and an appropriation of \$500,000 for a highway bypass project in the vicinity of Petoskey, Michigan proposed by the House. This project is included in the conference agreement specified under amendment number 12. The Senate bill contained no similar provision.

Amendment No. 39: Deletes a provision proposed by the House which directs the Postal Service to continue to provide full postal services to the people of Holly Springs proper including upgrading, remodeling, and improving the U.S. Post Office building in Holly Springs, Mississippi. This amendment is included in Amendment No. 14.

Amendment No. 40: Deletes a provision proposed by the House which requires that all the paper used in printing U.S. currency and securities and U.S. passports be manufactured in the United States by American companies. This amendment is included in Amendment No. 14.

Amendment No. 41: Deletes a provision proposed by the House which provides full compensation to Federal employees who bring valid claims for back pay by granting a right to collect interest on awards under the Back Pay Act of 1966. This amendment is included in modified form in Amendment No. 14.

Amendment No. 42: Deletes a provision proposed by the House which directs the General Services Administration to initiate as soon as possible the planning process necessary to design and construct the Social Security Facility in Wilkes-Barre, Pennsylvania.

Amendment No. 43: House recedes. This amendment deletes House language which provided a 3% cost-of-living pay increase for Federal employees under section 5305 of title 5, United States Code.

Amendment No. 44: House recedes with an amendment. This provision denies a cost-of-

living salary adjustment in fiscal year 1988 for Members of Congress, cabinet officers, Federal judges, and all other senior employees and officers of the executive, judicial, and legislative branches of government and the District of Columbia whose salaries are at the rate of Executive Level V or above.

In addition, agencies are expected to fund any additional costs associated with pay adjustments for fiscal year 1988 from the appropriations included herein.

Amendment No. 45: Deletes language proposed by the House prohibiting the use of funds to implement a DOT/FAA notice of proposed rulemaking on foreign repair stations (14 CFR Parts 135 and 143) that was published in the Federal Register on November 24, 1987. The conferees, although agreeing to delete the House language, nonetheless believe that the proposed rulemaking on foreign repair stations raises significant policy, economic, and safety issues that should be carefully reviewed by the appropriate authorizing committees. Accordingly, the conferees believe that the Department of Transportation and the Federal Aviation Administration should defer final action on the notice of proposed rulemaking until October 1, 1988.

Amendment No. 46: Deletes language proposed by the House and stricken by the Senate postponing sanctions under the Clean Air Act. The Department of Housing and Urban Development—Independent Agencies Appropriations Act includes the Clean Air Act extension proposed by the Senate (Amendment No. 68) as an administrative provision under the Environmental Protection Agency appropriation included in Amendment No. 7.

Amendment No. 47: House recedes.
Amendment No. 48: The conferees agree to delete the House provision on assistance to Haiti. This issue is included in Amendment No. 3.

RESTRICTIONS ON PUBLIC WORKS PROJECTS

Amendment No. 49: House recedes with an amendment.

The House bill (Section 128) prohibits the use of any Federal funds for procuring construction services and products for U.S. public works projects from Japanese firms during fiscal year 1988. The only exception would be that the president or the head of any agency would be allowed to waive the prohibition (on a contract by contract basis) if such action is needed in the public interest. The House took this reciprocal action in response to Japan's recent reaffirmation of its longstanding policy of discriminating against American construction firms.

The Senate language includes three separate provisions contained in section 101(j), Military Construction Appropriations, section 101(i), DOT and Related Agencies Appropriations, and section 101(d), Energy and Water Development Appropriations. These provisions require the U.S. Trade Representative (USTR) to determine which foreign countries deny fair and equitable market opportunities for U.S. construction, architect, and engineering firms seeking to participate in foreign government funded public works projects. Except under limited circumstances, the funds appropriated pursuant to the applicable section of the Act could not be used for any domestic construction project using architect, construction, and engineering services from countries listed by the USTR.

The conference agreement combined the key provisions of the House and Senate versions. It prohibits the obligation or expenditure of funds appropriated for fiscal year 1988 to enter into any contract for the construction, alteration, or repair of any public-