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of the Board of Directors of Amtrak before July 1, 1998, all provisions authorizing appropriations under the amendments made by section 301(a) of this Act for a fiscal year after fiscal year 1998 shall cease to be effective. The preceding sentence shall have no effect on funds provided to Amtrak pursuant to section 977 of the Taxpayer Relief Act of 1997.

SEC. 412. EDUCATIONAL PARTICIPATION.

Amtrak shall participate in educational efforts with elementary and secondary schools to inform students on the advantages of rail travel and the need for rail safety.

SEC. 413. REPORT TO CONGRESS ON AMTRAK BANKRUPTCY.

Within 120 days after the date of enactment of this Act, the Comptroller General shall submit a report identifying financial and other issues associated with an Amtrak bankruptcy to the United States Senate Committee on Commerce, Science, and Transportation and to the United States House of Representatives Committee on Transportation and Infrastructure. The report shall include an analysis of the implications of such a bankruptcy on the Federal government, Amtrak's creditors, and the Railroad Retirement System.

SEC. 414. AMTRAK TO NOTIFY CONGRESS OF LOBBYING RELATIONSHIPS.

If, at any time, during a fiscal year in which Amtrak receives Federal assistance, Amtrak enters into a consulting contract or similar arrangement, or a contract for lobbying, with a lobbying firm, an individual who is a lobbyist, or who is affiliated with a lobbying firm, as those terms are defined in section 3 of the Lobbying Disclosure Act of 1995 (2 U.S.C. 1602), Amtrak shall notify the United States Senate Committee on Commerce, Science, and Transportation, and the United States House of Representatives Committee on Transportation and Infrastructure of—

(1) the name of the individual or firm involved;

(2) the purpose of the contract or arrangement; and

(3) the amount and nature of Amtrak's financial obligation under the contract.

This section applies only to contracts, renewals or extensions of contracts, or arrangements entered into after the date of the enactment of this Act.

SEC. 415. FINANCIAL POWERS.

(a) CAPITALIZATION.—(1) Section 24304 is amended to read as follows:

"§24304. Employee stock ownership plans

"In issuing stock pursuant to applicable corporate law, Amtrak is encouraged to include employee stock ownership plans.".

(2) The item relating to section 24304 in the table of sections of chapter 243 is amended to read as follows:

"24304. Employee stock ownership plans.".

(b) REDEMPTION OF COMMON STOCK.—Amtrak shall, before October 1, 2002, redeem all common stock previously issued, for the fair market value of such stock.

(c) ELIMINATION OF LIQUIDATION PREFERENCE AND VOTING RIGHTS OF PREFERRED STOCK.—(1)(A) Preferred stock of Amtrak held by the Secretary of Transportation shall confer no liquidation preference.

(B) Subparagraph (A) shall take effect 90 days after the date of the enactment of this Act.

(2)(A) Preferred stock of Amtrak held by the Secretary of Transportation shall confer no voting rights.

(B) Subparagraph (A) shall take effect 60 days after the date of the enactment of this Act.

(d) STATUS AND APPLICABLE LAWS.—(1) Section 24301(a)(3) is amended by inserting ", and shall not be subject to title 31" after "United States Government".

(2) Section 9101(2) of title 31, United States Code, relating to Government corporations, is amended by striking subparagraph (A) and redesignating subparagraphs (B) through (L) as subparagraphs (A) through (K), respectively.

Mr. LOTT. I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

NO ELECTRONIC THEFT (NET) ACT

Mr. LOTT. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.R. 2265 and, further, that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2265) to amend the provisions of title 17 and 18, United States Code, to provide greater copyright protection by amending criminal copyright infringement provisions, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. HATCH. Mr. President, I rise in support of passage of H.R. 2265, The No Electronic Theft [NET] Act. This bill plugs the "LaMacchia Loophole" in criminal copyright enforcement.

Current sec. 506(a) of the Copyright Act contains criminal penalties for willful copyright infringement for "commercial advantage or private financial gain." In U.S. versus LaMacchia, 871 F. Supp. 535 (D. Mass. 1994), defendant, a graduate student attending MIT, encouraged lawful purchasers of copyrighted computer games and other software to upload these works via a special password to an electronic bulletin board on the Internet. The defendant then transferred the works to another electronic address and urged other persons with access to a second password to download the materials for personal use without authorization by or compensation to the copyright owners. Because the defendant never benefited financially from any of these transactions, the current criminal copyright infringement could not be used. Furthermore, the court held that neither could the federal wire fraud statute, since Congress never envisioned protecting copyrights under that statute. For persons with few assets, civil liability is not an adequate deterrent.

It is obvious that great harm could be done to copyright owners if this practice were to become widespread. Significant losses to copyright holders would undermine the monetary incentive to create which is recognized in our Constitution. Mr. President, I believe that willful, commercial-scale pirating of copyrighted works, even when the pirate receives no monetary reward, ought to be nipped in the bud. This bill does that.

I will admit, Mr. President, that I initially had concerns about this bill. I was afraid that the language was so broad that the net could be cast too widely—pardon the pun—so that minor offenders or persons who honestly believed that they had a legitimate right to engage in the behavior prohibited by the bill would be swept in. What of the educator who feels that his or her action is a fair use of the copyrighted work? Although the bill is not failsafe, because of the severity of the potential losses to copyright owners from widespread LaMacchia-like behavior and the little time remaining in this session, on balance I was persuaded to support the bill.

I place great store by the "willfulness" requirement in the bill. Although there is on-going debate about what precisely is the "willfulness" standard in the Copyright Act—as the House Report records—I submit that in the LaMacchia context "willful" ought to mean the intent to violate a known legal duty. The Supreme Court has given the term "willful" that construction in numerous cases in the past 25 years, for example: U.S. versus Bishop, 412, U.S. 346 (1973); U.S. versus Pomponio, 429 U.S. 987 (1976); Cheek versus U.S., 498 U.S. 192 (1991); and Ratzlaf versus U.S., 510 U.S. 135 (1994). As Chairman of the Judiciary Committee, that is the interpretation that I give to this term. Otherwise, I would have objected and not allowed this bill to pass by unanimous consent. Under this standard, then, an educator who in good faith believes that he or she is engaging in a fair use of copyrighted material could not be prosecuted under the bill.

I am also relying upon the good sense of prosecutors and judges. Again, the purpose of the bill is to prosecute commercial-scale pirates who do not have commercial advantage or private financial gain from their illegal activities. But if an over-zealous prosecutor should bring and win a case against a college prankster, I am confident that the judge would exercise the discretion that he or she may have under the Sentencing Guidelines to be lenient. If the practical effect of the bill turns out to be draconian, we may have to revisit the issue.

In addition to my concern that the bill's scope might be too broad, I wanted to make sure that the language of the bill would not prejudice in any way the debate about the copyright liability of on-line and Internet service providers. Mr. President, there are good arguments on both sides of the issue, and I will shortly begin the process of bringing the parties together to try to obtain a mutually agree-upon solution to this problem. It is my understanding that representatives of the OSP/ISP community and the fair use community were consulted during the passage of the bill in the House. This tends to confirm my judgment that the bill was not intended to affect the OSP/ISP liability debate.

Finally, Mr. President, I would like to point out two areas that are susceptible to interpretation mischief. First,

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the bill amends the term "financial gain" as used in the Copyright Act to include "receipt, or expectation of receipt, of anything of value, including receipt of other copyrighted works." The intent of the change is to hold criminally liable those who do not receive or expect to receive money but who receive tangible value. It would be contrary to the intent of the provision, according to my understanding, if "anything of value" would be so broadly read as to include enhancement of reputation or value remote from the criminal act, such as a job promotion.

Second, I am concerned about the interplay between criminal liability for "reproduction" in the bill and the commonly-held view that the loading of a computer program into random access memory [RAM] is a reproduction for purposes of the Copyright Act. Because most shrink-wrap licenses purport to make the purchaser of computer software a licensee and not an owner of his or her copy of the software, the ordinary purchaser of software may not be able to take advantage of the exemption provided by sec. 117, allowing the "owner" of a copy to reproduce the work in order to use it in his or her computer.

Many shrink-wrap licenses limit the purchaser to making only a single backup copy of his or her software. Thus, under a literal reading of the bill, the ordinary purchaser of computer software who loaded the software enough times in the 180-day period to reach the more-than-$1,000 threshold may be a criminal. This is, of course, not the intent of the bill. Clearly, this kind of copying was not intended to be criminalized.

Additionally, Congress has long recognized that it is necessary to make incidental copies of digital works in order to use them on computers. Programs or data must be transferred from a floppy disk to a hard disk or from a hard disk into RAM as a necessary step in their use. Modern operating systems swap data between RAM and hard disk to use the computer memory more efficiently. Given its purpose, it is not the intent of this bill to have the incidental copies made by the user of digital work be counted more than once in computing the total retail value of the infringing reproductions.

As you can see, Mr. President, I do not believe this is the perfect bill, but it is a good bill that addresses a serious problem that has the potential of very soon undermining copyright in many works, not just computer software. I am confident that prosecutors and the courts will make their decisions with the purpose of the bill in mind—the elimination of willful, commercial-scale pirating of copyrighted works.

Mr. LEAHY. Mr. President, America's founders recognized and valued the creativity of this Nation's citizens such that intellectual property rights are rooted in the Constitution. Article I, section 8, clause 8 of the Constitution states that "The Congress shall have power * * * [t]o promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries." The Continental Congress proclaimed, "Nothing is more properly a man's own than the fruit of his study."

Protecting intellectual property rights is just as important today as it was when America was a fledgling nation.

It is for this reason I am pleased that the Senate is considering H.R. 2265, the "No Electronic Theft [NET] Act of 1997." I introduced the first legislation on this subject in 1995. The bill was the "Criminal Copyright Improvement Act of 1995," and it stood as the only legislation on this issue in the 104th Congress. I then made some changes to that bill and introduced it this session as the "Criminal Copyright Improvement Act of 1997," S. 1044. Senator KYL is an original cosponsor of S. 1044 and I thank him for his support.

Like the Criminal Copyright Improvement Act of 1997, the NET Act of 1997 would close a significant loophole in our copyright law and enhance the Government's ability to bring criminal charges in certain cases of willful copyright infringement. By insuring better protection of the creative works available online, this bill will also encourage the continued growth of the Internet and our National Information Infrastructure. It will encourage the ingenuity of the American people, and will send a powerful message to intellectual property pirates and thieves that we will not tolerate theft.

For a criminal prosecution under current copyright law, a defendant's willful copyright infringement must be "for purposes of commercial advantage or private financial gain." Not-for-profit or noncommercial copyright infringement is not subject to criminal law enforcement, no matter how egregious the infringement or how great the loss to the copyright holder. This presents an enormous loophole in criminal liability for willful infringers who can use digital technology to make exact copies of copyrighted software and other digitally encoded works, and then use computer networks for quick, inexpensive and mass distribution of pirated, infringing works. The NET Act would close this legal loophole.

United States versus LaMacchia, 871 F. Supp. 535 (D. Mass. 1994), is an example of the problem this criminal copyright bill would fix. In that case, the defendant had set up computer bulletin board systems on the Internet. Users posted and downloaded copyrighted software programs. This resulted in an estimated loss to the copyright holders of over $1 million over a 6-week period. Since the defendant apparently did not profit from the software piracy, the Government could not prosecute him under criminal copyright law and instead charged him with wire fraud. The District Court described the student's conduct "at best * * * as irresponsible, and at worst as nihilistic, self-indulgent, and lacking in any fundamental sense of values."

Nevertheless, the Court dismissed the indictment in LaMacchia because it viewed copyright law as the exclusive authority for prosecuting criminal copyright infringement. The Court expressly invited Congress to revisit the copyright law and make any necessary adjustments, stating:

> Criminal as well as civil penalties should probably attach to willful, multiple infringements of copyrighted software even absent a commercial motive on the part of the infringer. One can envision ways that the copyright law could be modified to permit such prosecution. But, "[i]t is the legislature, not the Court which is to define a crime, and ordain its punishment."

I introduced the Criminal Copyright Improvement Act of 1995 on August 4, 1995 in response to this problem. The NET Act is the result of our efforts. It would ensure redress in the future for flagrant, willful copyright infringements in the following ways: First, it amends the term "financial gain" as used in the Copyright Act to include "receipt, or expectation of receipt, or anything of value, including the receipt of other copyrighted works." This revision would make clear that "financial gain" includes bartering for, and the trading of, pirated software.

Second, it amends Section 506(a) of the Copyright Act to provide that any person who infringes a copyright willfully by the reproduction or distribution, including by electronic means, during any 180-day period, of one or more copies or phonorecords of one or more copyrighted works with a total retail value of more than $1,000, shall be subject to criminal liability.

A misdemeanor offense under the bill is defined as an offense in which an individual reproduces or distributes one or more copies or phonorecords of one or more copyrighted works with a total value of more than $1,000.

The felony threshold under the bill is defined as an offense in which an individual reproduces or distributes 10 or more copies of phonorecords of 1 or more copyrighted works with a total retail value of $2,500 or more.

Section (2)(b) of the bill clarifies that for purposes of subsection 506(a) of the Copyright Act only, "willful infringement" requires more than just evidence of making an unauthorized copy of a work. This clarification was included to address the concerns expressed by libraries and Internet access to services because the standard of "willfulness" for criminal copyright infringement is not statutorily defined and the court's interpretation have varied somewhat among the Federal circuits.

This clarification does not change the current interpretation of the word "willful" as developed by case law and as applied by the Department of Justice, nor does it change the definition of "willful" as it is used elsewhere in the Copyright Act.

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Third, the bill requires that any criminal proceeding brought under the Copyright Act must commence within 5 years from the time the cause of action arose. The current limit, as contained in section 507(a) of the Copyright Act, is 3 years. This brings copyright crimes into conformance with the statute of limitations for other criminal acts under title 18 of the United States Code.

Fourth, the bill would insert new subsections in title 18 of the United States Code requiring that victims of offenses concerning unauthorized fixation and trafficking of live musical performances and victims of offenses concerning trafficking in counterfeit goods or services be given the opportunity to provide a victim impact statement to the probation officer preparing the presentence report. The bill directs that the statement identify the victim of the offense and the extent and scope of the injury and loss suffered, including the estimated economic impact of the offense on that victim.

The NET Act reflects the recommendations and hard work of the Department of Justice and the Copyright Office. Specifically, Scott Charney and David Green of the Department of Justice and Marybeth Peters, Shira Perlmutter, and Jule Sigall of the Copyright Office helped me on this legislation. The Department of Justice and the Copyright Office provided valuable input as far back as 3 years ago, when I introduced the first legislation on this subject, and they have worked with me through the drafting of this year's Senate bill and with me and all the interested parties on this year's House version to ensure that the final product was one that could be widely accepted. In fact, just today the Senate received a letter from the Department of Justice providing its views on the NET Act and strongly supporting the enactment of this legislation.

I also want to thank Mr. HYDE, Mr. CONYERS, Mr. COBLE, Mr. FRANK, and Mr. GOODLATTE for their fine work on this matter.

By passing this legislation, we send a strong message that we value intellectual property, as abstract and arcane as it may be, in the same way that we value the real and personal property of our citizens. Just as we will not tolerate the theft of software, CD's, books, or movie cassettes from a store, so will we not permit the stealing of intellectual property over the Internet.

I urge my colleagues to support H.R. 2265, and I ask unanimous consent that a letter from the U.S. Department of Justice dated November 7, 1997, be printed in the RECORD.

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

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, November 7, 1997.

Hon. ORRIN G. HATCH,
Chairman, Committee on the Judiciary,
U.S. Senate, Washington, DC.

DEAR Mr. CHAIRMAN, This provides the views of the Department of Justice on H.R. 2265, the "No Electronic Theft (NET) Act," which was passed by the House of Representatives on November 4, 1997, and which we understand may shortly be considered in the Senate. We strongly support enactment of this legislation.

As introduced, H.R. 2265 built upon, and closely resembled, S. 1044 and its predecessor bill that was introduced in the 104th Congress. The Department of Justice testified in support of H.R. 2265 while the bill was being considered by the House Judiciary Committee. We worked extensively with the bill's sponsors to ensure that it would meet the concerns of interested parties, including the Department of Justice, the copyright community, and those non-profit organizations and Internet Service Providers concerned about the possibility that the new legislation might sweep too broadly. The result, in our view, is an excellent bill that protects copyrights in the digital age in a careful and balanced manner. The House-passed bill accomplishes several important goals, including:

Permitting the Department to prosecute large-scale illegal reproduction or distribution of copyrighted works where the infringers act without a discernible profit motive, while making clear that small-scale noncommercial copying (copyrighted works with a total retail value of less than $1,000) is not prosecutable under federal law;

Clarifying that "willful" infringement must consist of evidence of more that the mere intentional reproduction or distribution of copyrighted products;

Defining "financial gain" to include the "receipt, or expectation of receipt, of anything of value, including the receipt of other copyrighted works," to ensure that persons who illegally traffic in copyrighted works by using barter rather than cash are covered by the statute;

Clarifying that "reproduction or distribution" includes electronic as well as tangible means;

Extending the statute of limitations from three to five years, bringing the criminal copyright statute into line with most other criminal statutes;

Establishing a recidivist provision that raises penalties for second or subsequent felony copyright offenses;

Recognizing victims' rights by allowing the producers of pirated works to provide a victim impact statement to the sentencing court; and

Enhancing the deterrent power of the copyright criminal laws by directing the Sentencing Commission to amend the Sentencing guideline for copyright and trademark infringement to allow courts to impose sentence based on the retail value of the good infringed upon, rather than the often lower value of the infringing good.

The Department of Justice believes that the differences between S. 1044, as introduced, and H.R. 2265, as passed by the House of Representatives, are not significant. We therefore recommend that the Senate expedite final passage of this important piece of legislation by adopting the House-passed bill before the end of the first session of the 105th Congress.

Please do not hesitate to contact us if we may be of additional assistance in connection with this or any other matter. The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the presentation of this report.

Sincerely,

ANDREW FOIS,
Assistant Attorney General.

Mr. KYL. Mr. President, I am proud to support H.R. 2265, the No Electronic Theft [NET] Act which is the companion bill to S. 1044, the Criminal Copyright Improvement Act of 1997, introduced by Senator LEAHY and myself.

H.R. 2265 passed the House of Representatives earlier this week and now has the opportunity to obtain Senate approval and be sent to the President before we adjourn for the session. The bill is supported by the Department of Justice, the U.S. Copyright Office, and the Software Publishers Association, which is the leading trade association of the computer software industry, representing over 1,200 companies that develop and market software for entertainment, business, education, and the Internet.

H.R. 2265 will help combat software piracy by closing a major loophole in federal law, which was highlighted by the case of *United States* v. *LaMacchia*, 871 F.Supp. 535 (D. Mass. 1994). Under current law, a showing of financial gain is required to prove criminal copyright infringement. In LaMacchia, the defendant maliciously pirated software which resulted in an estimated loss to the copyright holders of over $1 million in just over 6 weeks. Because LaMacchia did not profit from the software piracy, he could not be prosecuted under criminal copyright law.

Because much software piracy on the Internet apparently occurs without the exchange of money, the so-called "LaMacchia loophole" discourages law enforcement from taking action against willful, commercial-scale software pirates out to gain notoriety, not money.

In sum, this bill extends criminal infringement of copyright to include any person—not just those who act for purposes of commercial advantage or private financial gain—who willfully infringe a copyright. Specifically, the bill: (1) expands the definition of "financial gain" to include the expectation of receipt of anything of value—including the receipt of other copyrighted works; (2) sets penalties for willfully infringing a copyright by reproducing or distributing (including electronically), during any 180-day period, one or more copies of one or more copyrighted works with a total retail value of more than $1,000; (3) extends the statute of limitations for criminal copyright infringement from three to five years; (4) punishes recidivists more severely; (5) extends victims' rights with regard to criminal copyright infringement; and (6) directs the Sentencing Commission to determine sufficiently stringent guidelines to deter these types of crimes.

H.R. 2265 is needed to help protect the interests of the entire software industry by protecting against the unauthorized copying and distribution of

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computer programs. In 1996, piracy cost the software industry over $2 billion in the United States and over $11 billion around the world.

Mr. President, the United States is the world's leader in intellectual property. We export billions of dollars of copyrighted works every year. Our creative community is a bulwark of our national economy. By addressing the flaw in our copyright law that LaMacchia has brought to light, H.R. 2265 sends the strong message that we value the contributions of writers, artists, and other creators, and will not tolerate the theft of their intellectual endeavors.

I urge my colleagues to join me in supporting this important piece of legislation.

Mr. LOTT. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed; that the motion to reconsider be laid upon the table; and that any statements relating to the bill appear at the appropriate place in the RECORD.

The bill (H.R. 2265) was read the third time and passed.

OTTAWA AND CHIPPEWA JUDGMENT FUNDS DISTRIBUTION ACT OF 1997

Mr. LOTT. Mr. President, I ask the Chair lay before the Senate a message from the House of Representatives on the bill (H.R. 1604) to provide for the division, use, and distribution of judgment funds of the Ottawa and Chippewa Indians of Michigan pursuant to dockets numbered 19–E, 58, 368, and 18–R before the Indian Claims Commission.

Resolved, That the House agree to the amendments of the Senate numbered 1-60, 62 and 63 to the bill (H.R. 1604) entitled "An Act to provide for the division, use, and distribution of judgment funds of the Ottawa and Chippewa Indians of Michigan pursuant to dockets numbered 18–E, 58, 364, and 18–R before the Indian Claims Commission.".

Resolved, That the House disagree to the amendment of Senate numbered 61 to the above-entitled bill.

Mr. LOTT. Mr. President, I move that the Senate recede from its amendment No. 61.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

RELIEF OF SYLVESTER FLIS

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 1172.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1172) for the relief of Sylvester Flis.

The Senate proceeded to consider the bill.

Mr. LOTT. Mr. President, I ask unanimous consent that the bill be read the third time and passed; that the motion to reconsider be laid upon the table; and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1172) was read the third time and passed, as follows:

S. 1172

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

SECTION 1. GRANT OF NATURALIZATION TO SYLVESTER FLIS.

(a) IN GENERAL.—Notwithstanding any other provision of law, Sylvester Flis shall be naturalized as a citizen of the United States upon the filing of the appropriate application and upon being administered the oath of renunciation and allegiance in an appropriate ceremony pursuant to section 337 of the Immigration and Nationality Act.

(b) DEADLINE FOR APPLICATION AND PAYMENT OF FEES.—Subsection (a) shall apply if the application for naturalization is filed with appropriate fees within 1 year after the date of the enactment of this Act.

AMENDING THE FEDERAL CHARTER FOR GROUP HOSPITALIZATION AND MEDICAL SERVICES, INC.

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3025, which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3025) to amend the Federal charter for Group Hospitalization and Medical Services, Inc., and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LOTT. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3025) was read a third time and passed.

LOBBYING DISCLOSURE TECHNICAL AMENDMENTS ACT OF 1997

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 283, S. 758.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 758) to make certain technical corrections to the Lobbying Disclosure Act of 1995.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LOTT. Mr. President, I ask unanimous consent that the bill be read three times and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 758) was read a third time and passed, as follows:

S. 758

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

SECTION 1. SHORT TITLE AND REFERENCE.

(a) SHORT TITLE.—This Act may be cited as the "Lobbying Disclosure Technical Amendments Act of 1997".

(b) REFERENCE.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Lobbying Disclosure Act of 1995.

SEC. 2. DEFINITION OF COVERED EXECUTIVE BRANCH OFFICIAL.

Section 3(3)(F) (2 U.S.C. 1602(3)(F)) is amended by striking "7511(b)(2)" and inserting "7511(b)(2)(B)".

SEC. 3. CLARIFICATION OF EXCEPTION TO LOBBYING CONTACT.

(a) CERTAIN COMMUNICATIONS.—Section 3(8)(B)(ix) (2 U.S.C. 1602(8)(B)(ix)) is amended by inserting before the semicolon the following: ", including any communication compelled by a Federal contract grant, loan, permit, or license".

(b) DEFINITION OF "PUBLIC OFFICIAL".—Section 3(15)(F) (2 U.S.C. 1602(15)(F)) is amended by inserting ", or a group of governments acting together as an international organization" before the period.

SEC. 4. ESTIMATES BASED ON TAX REPORTING SYSTEM.

(a) SECTION 15(a).—Section 15(a) (2 U.S.C. 1610(a)) is amended—

(1) by striking "A registrant" and inserting "A person, other than a lobbying firm,"; and

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

"(2) for all other purposes consider as lobbying contacts and lobbying activities only—

"(A) lobbying contacts with covered legislative branch officials (as defined in section 3(4)) and lobbying activities in support of such contacts; and

"(B) lobbying of Federal executive branch officials to the extent that such activities are influencing legislation as defined in section 4911(d) of the Internal Revenue Code of 1986.".

(b) SECTION 15(b).—Section 15(b) (2 U.S.C. 1610(b)) is amended—

(1) by striking "A registrant that is subject to" and inserting "A person, other than a lobbying firm, who is required to account and does account for lobbying expenditures pursuant to"; and

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

"(2) for all other purposes consider as lobbying contacts and lobbying activities only—

"(A) lobbying contacts with covered legislative branch officials (as defined in section 3(4)) and lobbying activities in support of such contacts; and

"(B) lobbying of Federal executive branch officials to the extent that amounts paid or costs incurred in connection with such activities are not deductible pursuant to section 162(e) of the Internal Revenue Code of 1986.".

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