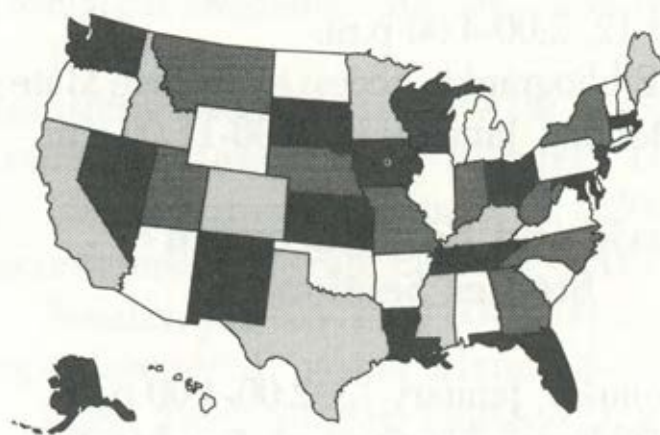


Washington Hotline



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Congress was in session so late in an election year that it set records. The 101st Congress adjourned shortly after 2:00 a.m. on Sunday, October 28, after approving a massive reconciliation bill (HR 5835) to implement a last minute budget agreement. The President signed the measure on November 5, ending months of difficult budget negotiations by congressional leaders and Administration officials.

Sen. Patrick Moynihan (D-NY) was responsible for the inclusion in HR 5835 of a one-year correction to a 1986 tax law provision which had reduced the incentive for high-income individuals subject to the alternative minimum tax to donate tangible personal property such as artworks and manuscripts to charitable institutions such as museums and libraries. For 1991 only, the full market value of such donations has been restored. Creators of such works, however, are still limited to deducting only the cost of the materials used, and not the fair market value, when donating their works.

Funding. Although threatened with massive deficit reduction cuts, most library programs received modest, or in some cases, significant increases. The Higher Education Act title II library programs were up 4% over FY 1990 levels. Final funding for selected programs is shown below:

PROGRAM	FY 1990 FUNDING	FY 1991 FUNDING
GPO SuDocs	\$24,214,000	\$25,745,000
HEA II-B, training, research	855,000	976,000
II-C, research libraries	5,738,000	5,855,000
II-D, college lib. tech.	3,732,000	3,904,000
III, developing institutions	196,170,000	204,835,000
IV-C, college work study	601,765,000	594,689,000
VI, international education	34,658,000	40,012,000
Library of Congress	266,720,000	299,055,000
LSCA I public library services	82,505,000	83,898,000
II public library construction	18,900,000	19,218,000
III interlibrary cooperation	19,551,000	19,908,000
V foreign language acq. pub. libs.	-0-	976,000
VI library literacy	5,365,000	8,163,000
National Agricultural Library	14,676,000	16,798,000
National Archives	119,910,000	132,969,000
Natl. Center for Educ. Stats.	39,739,000	58,948,000
NCLIS	750,000	732,000
Natl. Endowment for Humanities	156,910,000	170,004,000
Natl. Historical Pubs. & Records Com.	4,930,000	5,250,000
National Library of Medicine & MLAA	85,728,000	92,140,000
Postal revenue forgone subsidy	453,425,000	472,592,000

LC. The Library of Congress ended up with \$299 million for FY '91, a significant 12% increase, although LC had requested 22% The total allows for \$5.2 million toward the processing of its 38 million

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item arrearage, designated a high priority by Congress. Along the way, the Senate voted 73–22 on October 25 to exempt LC from an amendment to cut Legislative Branch funding 5% across-the-board. Sen. Timothy Wirth (D-CO) proposed the exemption to protect LC's services to the nation's libraries.

Sen. Albert Gore, Jr., (D-TN) in supporting the Wirth amendment, made connections between LC and his bill to create a National Research and Education Network. He also said: "I had the pleasure and privilege of working closely with the American Library Association, and librarians from all over the United States in drafting those parts of the information superhighway bill that relate to digital libraries and the information infrastructure."

NREN. No action was taken by the House on legislation to authorize a National Research and Education network, so S. 1067 died, although it passed the Senate by voice vote on October 24. Sen. Gore is expected to reintroduce NREN legislation next year, and in the meantime, incremental upgrading of NSFNET and the Internet continues. The version passed by the Senate was revised to settle a congressional jurisdictional dispute. In the process, the bill lost some of the "E" in the NREN as originally envisioned; the National Science Foundation was no longer clearly identified as the lead agency, and commitments were weakened to uniform network architecture and implementing standards, network services, software, and basic research and education.

Permanent paper. The House passed its version of legislation to establish a national policy on permanent papers in September. S.J. Res. 57, first introduced by Sen. Claiborne Pell (D-RI), was signed into law (PL 101-423) on October 12. President Bush issued a short statement that day in which he said the measure "brings to public attention the fact that future generations of Americans will lose access to documents of enduring value unless we take action."

PRA. Reauthorization of the Paperwork Reduction Act failed to pass before Congress adjourned. Although the House on October 23 passed HR 3695 by voice vote, S. 1742 was not brought to the Senate floor. The Senate bill, if acted upon, apparently would have reflected a recent agreement among House and Senate committee leadership, the Administration, and other interested parties. The compromise version of S. 1742, however, did not get floor action in the waning hours of the session.

NEA/NEH. Congress on October 27 approved and the President signed on November 5 a three-year reauthorization of the National Endowment for the Arts and the National Endowment for the Humanities as a provision in the bill (HR 5769) funding the endowments. The list of restrictions on the types of art that may be funded was dropped, but the NEA Chair is to make sure that grants take "into consideration general standards of decency and respect for the diverse beliefs and values of the American public." The share of NEA money going to state programs will be gradually increased from the current 20% to 35% in FY '93, and various changes were made to the NEA procedures for making grants. In addition, grantees whose work is later found to violate obscenity laws would have to pay back grant funds. The constitutionality of the decency provision is uncertain, but overall the result is less damaging than expected given the heat of the controversy.

Copyright. The Computer Software Rental Amendments (S. 198 and HR 5498) were given last-minute congressional approval and sent to the President as Title VIII of a bill (HR 5316) creating new federal judgeships. The software provision would expand the limited exception to the first sale doctrine Congress made with respect to phonorecords. As with phonorecords, computer programs under the provisions of the legislation may not, for purposes of direct or indirect commercial advantage, be rented, leased, or lent.

An exemption would be provided for the rental, lease or lending of computer software for nonprofit purposes by nonprofit libraries and nonprofit educational institutions. The transfer of possession of a lawfully made copy of a computer program by one nonprofit educational institution to another or to faculty, staff, or students would also be exempt. All copies of software lent by nonprofit libraries must bear a notice, to be prescribed by the Register of Copyrights, warning borrowers that unauthorized copying may violate the copyright laws.

Action on legislation to revise the fair use doctrine embodied in the Copyright Act to clarify that it applied to unpublished as well as published works was postponed until the 102nd Congress.