

104TH CONGRESS  
2D SESSION

# H. R. 3282

To authorize expenditures for fiscal year 1997 for the operation and maintenance of the Panama Canal, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

APRIL 22, 1996

Mr. BATEMAN (for himself and Mr. TAYLOR of Mississippi) (both by request) introduced the following bill; which was referred to the Committee on National Security, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

---

## A BILL

To authorize expenditures for fiscal year 1997 for the operation and maintenance of the Panama Canal, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Panama Canal Com-  
5 mission Authorization Act, Fiscal year 1997”.

6 **SEC. 2. AUTHORIZATION OF EXPENDITURES.**

7 (a) IN GENERAL.—Subject to subsection (b), the  
8 Panama Canal Commission is authorized to make such ex-

1 penditures within the limits of funds and borrowing au-  
2 thority available to it in accordance with law, and to make  
3 such contracts and commitments, to be derived from the  
4 Panama Canal Commission Revolving Fund, as may be  
5 necessary under the Panama Canal Act of 1979 (22  
6 U.S.C. 3601 et seq.), for the operation, maintenance, im-  
7 provement and administration of the Panama Canal for  
8 fiscal year 1997

9 (b) LIMITATIONS.—For fiscal year 1997, the Panama  
10 Canal Commission may expend from funds in the Panama  
11 Canal Commission Revolving Fund not more than  
12 \$73,000 for reception and representation expenses of  
13 which—

14 (1) not more than \$18,000 may be used for of-  
15 ficial reception and representation expenses of the  
16 Supervisory Board of the Commission;

17 (2) not more than \$10,000 may be used for of-  
18 ficial reception and representation expenses of the  
19 Secretary of the Commission; and

20 (3) not more than \$45,000 may be used for of-  
21 ficial reception and representation expenses of the  
22 Administrator of the Commission.

23 **SEC. 3. PURCHASE OF VEHICLES.**

24 Notwithstanding the provisions of any other law, the  
25 funds available to the Commission shall be available for

1 the purchase of, and transportation to, the Republic of  
2 Panama, passenger motor vehicles, including large, heavy-  
3 duty vehicles.

4 **SEC. 4. GENERAL PROVISIONS.**

5 Expenditures authorized under this Act may be made  
6 only in accordance with the Panama Canal Treaties of  
7 1977 and any law of the United States implementing  
8 those treaties.

9 **SEC. 5. DEFINITIONS AND RECOMMENDATION FOR LEGIS-**  
10 **LATION.**

11 In section 3 of the Panama Canal Act of 1979 (22  
12 U.S.C. 3602)—

13 (1) the heading is amended to read “DEFINI-  
14 TIONS”;

15 (2) in subsection (b), the word “and” is added  
16 after the semicolon at the end of paragraph (4), and  
17 paragraphs (6) and (7) are deleted; and

18 (3) subsection (d) is deleted.

19 **SEC. 6. OFFICE OF OMBUDSMAN.**

20 In section 1113 of the Panama Canal Act of 1979  
21 (22 U.S.C. 3623), subsection (d) is deleted and subsection  
22 (e) is redesignated as (d).

23 **SEC. 7. APPOINTMENT AND COMPENSATION; DUTIES.**

24 Section 1202 of the Panama Canal Act of 1979 (22  
25 U.S.C. 3642) is amended to read as follows:

1 “APPOINTMENT AND COMPENSATION; DUTIES

2 “SEC. 1202. (a) In accordance with this chapter, the  
3 Commission may appoint, fix the compensation of, and de-  
4 fine the authority and duties of officers and employees  
5 necessary for the management, operation and maintenance  
6 of the Panama Canal and its complementary works, instal-  
7 lations and equipment.

8 “(b) Individuals serving in any Executive agency  
9 (other than the Commission) or the Smithsonian Institu-  
10 tion, including individuals in the uniform services, may,  
11 if appointed under this section or section 1104 of this Act,  
12 serve as officers or employees of the Commission.”.

13 **SEC. 8. INAPPLICABILITY OF CERTAIN BENEFITS TO CER-**  
14 **TAIN NONCITIZENS.**

15 In section 1209 of the Panama Canal Act of 1979  
16 (22 U.S.C. 3649), subsection (a) is amended to read as  
17 follows:

18 “(a) Chapter 81 of title 5, United States Code, relat-  
19 ing to compensation for work injuries, chapters 83 and  
20 84 of such title 5, relating to retirement, chapter 87 of  
21 such title 5, relating to life insurance, and chapter 89 of  
22 such title 5, relating to health insurance, are applicable  
23 to Commission employees except any individual—

24 “(1) who is not a citizen of the United States;

1           “(2) whose initial appointment by the Commis-  
2           sion occurs after October 1, 1979; and

3           “(3) who is covered by the Social Security Sys-  
4           tem of the Republic of Panama pursuant to any pro-  
5           vision of the Panama Canal Treaty of 1977 and re-  
6           lated agreements.”.

7   **SEC. 9. TRAVEL AND TRANSPORTATION EXPENSES.**

8           Section 1210 of the Panama Canal Act of 1979 (22  
9   U.S.C. 3650) is amended to read as follows:

10           “TRAVEL AND TRANSPORTATION EXPENSES

11           “SEC. 1210. (a) Subject to subsections (b) and (c),  
12   the Commission may pay travel and transportation ex-  
13   penses for employees in accordance with subchapter II of  
14   chapter 57 of title 5, United States Code.

15           “(b) For an employee to whom section 1206 applies,  
16   the Commission may pay travel and transportation ex-  
17   penses associated with vacation leave for the employee and  
18   his immediate family notwithstanding requirements re-  
19   garding periods of service established by subchapter II of  
20   chapter 57 of title 5, United States Code or the regula-  
21   tions promulgated thereunder.

22           “(c) For an employee to whom section 1206 is inap-  
23   plicable, the Commission may pay travel and transpor-  
24   tation expenses associated with vacation leave for the em-  
25   ployee and his immediate family notwithstanding require-  
26   ments regarding a written agreement concerning the dura-

1 tion of a continuing service obligation established by sub-  
2 chapter II of chapter 57 of title 5, United States Code  
3 or the regulations promulgated thereunder.”.

4 **SEC. 10. DEFINITIONS.**

5 In section 1211 of the Panama Canal Act of 1979  
6 (22 U.S.C. 3651) subsection (1)(B) is amended to read  
7 as follows:

8 “(B) any other Executive agency or the  
9 Smithsonian Institution, to the extent of any  
10 election in effect under section 1212(b) of this  
11 Act;”.

12 **SEC. 11. PANAMA CANAL EMPLOYMENT SYSTEM; MERIT**  
13 **AND OTHER EMPLOYMENT REQUIREMENTS.**

14 Section 1212 of the Panama Canal Act of 1979 (22  
15 U.S.C. 3652) is amended to read as follows:

16 “PANAMA CANAL EMPLOYMENT SYSTEM; MERIT AND  
17 OTHER EMPLOYMENT REQUIREMENTS

18 “SEC. 1212. (a) The Commission shall establish a  
19 Panama Canal Employment System and prescribe the reg-  
20 ulations necessary for its administration. The Panama  
21 Canal Employment System shall—

22 “(1) be established in accordance with and be  
23 subject to the provisions of the Panama Canal Trea-  
24 ty of 1977 and related agreements, the provisions of  
25 this chapter, and any other applicable provision of  
26 law;

1           “(2) be based on the consideration of the merit  
2 of each employee or candidate for employment and  
3 the qualifications and fitness of the employee to hold  
4 the position concerned;

5           “(3) conform, to the extent practicable and con-  
6 sistent with the provisions of this Act, to the poli-  
7 cies, principles, and standards applicable to the com-  
8 petitive service;

9           “(4) in the case of employees who are citizens  
10 of the United States, provide for the appropriate  
11 interchange of those employees between positions  
12 under the Panama Canal Employment System and  
13 positions in the competitive service; and

14           “(5) not be subject to the provisions of title 5,  
15 United States Code, unless specifically made applica-  
16 ble by this Act.

17           “(b)(1) The head of any Executive agency (other  
18 than the Commission) and the Smithsonian Institution  
19 may elect to have the Panama Canal Employment System  
20 made applicable in whole or in part to personnel of that  
21 agency in the Republic of Panama.

22           “(2) Any Executive agency (other than the Commis-  
23 sion) and the Smithsonian Institution, to the extent of any  
24 election under paragraph (1) of this subsection, shall con-  
25 duct its employment and pay practices relating to employ-

1 ees in accordance with the Panama Canal Employment  
2 System.

3 “(c) The Commission may exclude any employee or  
4 position from coverage under any provision of this sub-  
5 chapter, other than the rights and privileges extended  
6 under section 1212(a)(4).”.

7 **SEC. 12. EMPLOYMENT STANDARDS.**

8 In section 1213 of the Panama Canal Act of 1979  
9 (22 U.S.C. 3653), the words “The head of each agency”  
10 are deleted, and the words “The Commission” are inserted  
11 at the beginning of the first sentence.

12 **SEC. 13. INTERIM APPLICATION OF CANAL ZONE MERIT**  
13 **SYSTEM.**

14 Section 1214 of the Panama Canal Act of 1979 (22  
15 U.S.C. 3654) is deleted.

16 **SEC. 14. RECRUITMENT AND RETENTION REMUNERATION.**

17 In section 1217 of the Panama Canal Act of 1979  
18 (22 U.S.C. 3657) subsection (d) is deleted.

19 **SEC. 15. BENEFITS BASED ON BASIC PAY.**

20 In section 1218 of the Panama Canal Act of 1979  
21 (22 U.S.C. 3658) subsection (2) is revised to read as fol-  
22 lows:

23 “(2) benefits under subchapter III of chapter  
24 83 and subchapter II of chapter 84 of title 5, United  
25 States Code, relating to retirement;”.

1 **SEC. 16. ADMINISTRATION BY THE PRESIDENT.**

2 Section 1223 of the Panama Canal Act of 1979 (22  
3 U.S.C. 3663) is amended to read as follows:

4 “ADMINISTRATION BY THE COMMISSION

5 “SEC. 1223. A Central Examining Office shall be es-  
6 tablished within the Commission. The purpose of the office  
7 shall be to implement the provisions of the Panama Canal  
8 Treaty of 1977 and related agreements with respect to  
9 recruitment, examination, determination of qualification  
10 standards, and similar matters.”.

11 **SEC. 17. APPLICABILITY OF CERTAIN LAWS.**

12 Section 1224 of the Panama Canal Act of 1979 (22  
13 U.S.C. 3664) is amended to read as follows:

14 “APPLICABILITY OF TITLE 5, UNITED STATES CODE

15 “SEC. 1224. In addition to those listed elsewhere in  
16 this Act, the following provisions of title 5, United States  
17 Code, apply to the Panama Canal Commission:

18 “(1) Part I of title 5 (agencies generally).

19 “(2) Chapter 21 (employee definitions).

20 “(3) Section 2302(b)(8) (whistleblower protec-  
21 tion).

22 “(4) all preference eligibility provisions.

23 “(5) Section 5514 (offset from salary).

24 “(6) Section 5520a (garnishments).

25 “(7) Sections 5531–5535 (dual pay and em-  
26 ployment).

1           “(8) Subchapter VI of chapter 55 (accumulated  
2 and accrued leave).

3           “(9) Subchapter IX of chapter 55 (severance  
4 and back pay).

5           “(10) Chapter 57 (travel and transportation).

6           “(11) Chapter 59 (allowances).

7           “(12) Chapter 63 (leave for CONUS PCC em-  
8 ployees).

9           “(13) Section 6323 (Military Leave; Reserves  
10 and National Guardsmen).

11           “(14) Subchapters II and III of chapter 73  
12 (striking, Hatch Act).

13           “(15) Chapter 75 and 77 (adverse actions and  
14 appeals for veterans).

15           “(16) Appendix 3 (Inspector General Act of  
16 1978).”.

17 **SEC. 18. TRANSFERRED OR REEMPLOYED EMPLOYEES.**

18           In section 1231 of the Panama Canal Act of 1979  
19 (22 U.S.C. 3671), subsection (a)(3) is deleted.

20 **SEC. 19. ADMINISTRATION OF SPECIAL DISABILITY BENE-**  
21 **FITS.**

22           In Section 1245 of the Panama Canal Act of 1979  
23 (22 U.S.C. 3682)—

24           (1) the heading is amended to read “ADMINIS-  
25 TRATION OF CERTAIN DISABILITY BENEFITS”; and

1           (2) subsection (a) is amended to read as fol-  
2       lows:

3       “(a) The Commission, or any other United States  
4 Government agency or private entity pursuant to an agree-  
5 ment with the Commission, pursuant to the Act entitled  
6 “An Act authorizing cash relief for certain employees of  
7 the Panama Canal not coming within the provisions of the  
8 Canal Zone Retirement Act”, approved July 8, 1937, as  
9 amended (50 Stat. 478; 68 Stat. 17), may continue the  
10 payments of cash relief to those individual former employ-  
11 ees of the Canal Zone Government or Panama Canal Com-  
12 pany or their predecessor agencies not coming within the  
13 scope of the former Canal Zone Retirement Act whose  
14 services were terminated prior to October 5, 1958, because  
15 of unfitness for further useful service by reason of mental  
16 or physical disability resulting from age or disease. Sub-  
17 ject to subsection (b) of this section, that cash relief may  
18 not exceed \$1.50 per month for each year of service of  
19 the employees so furnished relief, with a maximum of \$45  
20 per month, plus the amount of any cost-of-living increases  
21 in such cash relief granted before October 1, 1979, pursu-  
22 ant to section 181 of title 2 of the Canal Zone Code (as  
23 in effect on September 30, 1979), nor be paid to any em-  
24 ployee who, at the time of termination for disability prior  
25 to October 5, 1958, had less than 10 years’ service with

1 the Canal Zone Government, the Panama Canal Company,  
2 or their predecessor agencies on the Isthmus of Panama.”.

3 **SEC. 20. APPLIANCES FOR EMPLOYEES INJURED BEFORE**  
4 **SEPTEMBER 7, 1916.**

5 Section 1246 of the Panama Canal Act of 1979 (22  
6 U.S.C. 3683) is deleted.

7 **SEC. 21. LEAVE FOR JURY OR WITNESS SERVICE.**

8 Section 1251 of the Panama Canal Act of 1979 is  
9 deleted.

10 **SEC. 22. CANAL ZONE GOVERNMENT FUNDS.**

11 Section 1301 of the Panama Canal Act of 1979 (22  
12 U.S.C. 3711) is deleted.

13 **SEC. 23. PANAMA CANAL REVOLVING FUND.**

14 Section 1302 of the Panama Canal Act of 1979 (22  
15 U.S.C. 3712) is amended to read as follows:

16 “PANAMA CANAL REVOLVING FUND

17 “SEC. 1302. (a) There is established in the Treasury  
18 of the United States a revolving fund to be known as  
19 “Panama Canal Revolving Fund”. The Panama Canal Re-  
20 volving Fund shall, subject to subsection (b), be available  
21 to the Commission to carry out the purposes, functions,  
22 and powers authorized by this Act, including for—

23 “(1) the hire of passenger motor vehicles and  
24 aircraft;

25 “(2) uniforms or allowances therefor;

1           “(3) official receptions and representation ex-  
2           penses of the Board, the Secretary of the Commis-  
3           sion, and the Administrator;

4           “(4) the operation of guide services;

5           “(5) a residence for the Administrator;

6           “(6) disbursements by the Administrator for  
7           employee and community projects;

8           “(7) the procurement of expert and consultant  
9           services;

10          “(8) promotional activity, including the prepa-  
11          ration, distribution, or use of any kit, pamphlet,  
12          booklet, publication, radio, television, film, or other  
13          media presentation designed to promote the Panama  
14          Canal as a resource of the world shipping industry;  
15          and

16          “(9) the purchase and transportation to the Re-  
17          public of Panama of passenger motor vehicles, in-  
18          cluding large, heavy-duty vehicles.

19          “(b)(1) There shall be deposited in the Panama  
20          Canal Revolving Fund, on a continuing basis, toll receipts  
21          (other than amounts of toll receipts deposited into the  
22          Panama Canal Commission Dissolution Fund under sec-  
23          tion 1305) and all other receipts of the Commission. Ex-  
24          cept as provided in section 1303, no funds may be obli-  
25          gated or expended by the Commission in any fiscal year

1 unless such obligation or expenditure has been specifically  
2 authorized by law.

3 “(2) No funds may be authorized for the use of the  
4 Commission, or obligated or expended by the Commission  
5 in any fiscal year in excess of—

6 “(A) the amount of revenues deposited in the  
7 Panama Canal Revolving Fund and the Panama  
8 Canal Dissolution Fund during such fiscal year, plus

9 “(B) the amount of revenues deposited in the  
10 Panama Canal Revolving Fund before such fiscal  
11 year and remaining unobligated at the beginning of  
12 such fiscal year; plus

13 “(C) the \$100,000,000 borrowing authority  
14 provided for in section 1304 of this Act.

15 Not later than 30 days after the end of each fiscal year,  
16 the Secretary of the Treasury shall report to the Congress  
17 the amount of revenues deposited in the Panama Canal  
18 Revolving Fund during such fiscal year.

19 “(c) With the approval of the Secretary of the Treas-  
20 ury, the Commission may deposit amounts in the Panama  
21 Canal Revolving Fund in any Federal Reserve bank, any  
22 depository for public funds, or in such other places and  
23 in such manner as the Commission and the Secretary may  
24 agree.

1       “(d)(1) It is the sense of the Congress that the addi-  
2 tional costs resulting from the implementation of the Pan-  
3 ama Canal Treaty of 1977 and related agreements should  
4 be kept to the absolute minimum level. To this end, the  
5 Congress declares appropriated costs of implementation to  
6 be borne by the taxpayers over the life of such treaty  
7 should be kept to a level no greater than the March 1979  
8 estimate of those costs (\$870,700,000) presented to the  
9 Congress by the executive branch during consideration of  
10 this Act by the Congress, less personnel retirement costs  
11 of \$205,000,000, which were subtracted and charged to  
12 tolls, therefore resulting in net taxpayer cost of approxi-  
13 mately \$665,700,000, plus appropriate adjustments for  
14 inflation.

15       “(2) It is further the sense of the Congress that the  
16 actual costs of implementation be consistent with the obli-  
17 gations of the United States to operate the Panama Canal  
18 safely and efficiently and keep it secure.”.

19 **SEC. 24. EMERGENCY AUTHORITY**

20       In section 1303 of the Panama Canal Act of 1970  
21 (22 U.S.C. 3713), the references to “section 1302(c)(1)”  
22 are changed to read “section 1302(b)(1).”

23 **SEC. 25. PRINTING.**

24       A new section 1306 is added to the Panama Canal  
25 Act of 1979, reading as follows:

1 “PRINTING

2 “SEC. 1306. Notwithstanding any other provision of  
3 law, the Commission may purchase direct for its use print-  
4 ing, binding, and blank-book work in the Republic of Pan-  
5 ama when the Commission determines that such direct  
6 purchase is in the best interest of the Government. This  
7 section shall not affect the Commission’s authority, under  
8 chapter 5 of title 44, United States Code, to operate a  
9 field printing plant.”.

10 **SEC. 26. AIR TRAVEL.**

11 In the Panama Canal Act of 1979, a new section  
12 1307 is added, reading as follows:

13 “AIR TRAVEL

14 “SEC. 1307. Notwithstanding any other provision of  
15 law, the Commission may contract with Panamanian car-  
16 riers registered under the laws of the Republic of Panama  
17 to provide air transportation to officials and employees of  
18 the Commission: *Provided*, That such officials and employ-  
19 ees may elect, for security or other reasons, to travel by  
20 air carriers holding certificates under section 41102 of  
21 title 49, United States Code.

22 **SEC. 27. ACCOUNTING POLICIES.**

23 In section 1311 of the Panama Canal Act of 1979  
24 (22 U.S.C. 3721), the first sentence in subsection (a) is  
25 amended to read as follows:

1       “(a) The Commission shall establish and maintain its  
2 accounts pursuant to chapter 91 of title 31, United States  
3 Code, and the provisions of this chapter.”.

4 **SEC. 28. AUDIT.**

5       In section 1313 of the Panama Canal Act of 1979  
6 (22 U.S.C. 3723), subsection (c) is deleted.

7 **SEC. 29. INTERAGENCY SERVICES; REIMBURSEMENTS.**

8       In section 1321 of the Panama Canal Act of 1979  
9 (22 U.S.C. 3721), subsection (e)(2) is revised to read as  
10 follows:

11               “(2) educational services provided by schools in  
12 the Republic of Panama, or the United States which  
13 are not operated by the United States, to employees  
14 of the Commission who are citizens of the United  
15 States and persons who were receiving such services  
16 at the expense of the Canal Zone Government before  
17 the effective date of this Act. Notwithstanding sec-  
18 tion 5924 of title 5, United States Code, the Com-  
19 mission shall by regulation determine the extent to  
20 which educational services may be defrayed under  
21 this section.”.

22 **SEC. 30. POSTAL SERVICE.**

23       Section 1331 of the Panama Canal Act of 1979 (22  
24 U.S.C. 3741) is amended to read as follows:

1                                   “POSTAL SERVICE

2           “SEC. 1331. (a) The Commission shall take posses-  
3 sion of and administer the funds of the Canal Zone postal  
4 service and shall assume its obligations.

5           “(b) Effective December 1, 1999, the Commission  
6 shall no longer be responsible for any accumulated unpaid  
7 balances relating to Canal Zone postal-savings deposits,  
8 postal-savings certificates and postal money orders.

9           “(c) Mail addressed to the Canal Zone from or  
10 through the continental United States may be rout-  
11 ed by the United States Postal Service to the mili-  
12 tary post offices of the United States Forces in the  
13 Republic of Panama. Such military post offices shall  
14 provide the required directory services and shall ac-  
15 cept such mail to the extent permitted under the  
16 Panama Canal Treaty of 1977 and related agree-  
17 ments. The Commission shall furnish personnel,  
18 records, and other services to such military post of-  
19 fices to assure wherever appropriate the distribution,  
20 rerouting, or return of such mail.”.

21 **SEC. 31. INVESTIGATION OF ACCIDENTS OR INJURY GIVING**

22 **RISE TO CLAIM.**

23           In section 1417 of the Panama Canal Act of 1979  
24 (22 U.S.C. 3777), paragraph (1) is amended to read as  
25 follows:

1           “(1) an investigation, which shall include a  
2           hearing by the Commission’s Board of Local Inspec-  
3           tors, of the accident or injury giving rise to the  
4           claim has been completed; and”.

5 **SEC. 32. INTERIM TOLL ADJUSTMENT.**

6           Section 1605 of the Panama Canal Act of 1979 (22  
7 U.S.C. 3795) is deleted.

8 **SEC. 33. AUTHORITY OF PRESIDENT.**

9           Section 1701 of the Panama Canal Act of 1979 (22  
10 U.S.C. 3801) is deleted.

11 **SEC. 34. AUTHORITY OF COMMISSION.**

12           Section 1702 of the Panama Canal Act of 1979 (22  
13 U.S.C. 3802) is deleted.

14 **SEC. 35. OPERATIONS REGULATIONS.**

15           In section 1801 of the Panama Canal Act of 1979  
16 (22 U.S.C. 3811), the word “President” is changed to  
17 read “Commission.”

18 **SEC. 36. TREATY TRANSITION PERIOD.**

19           Title II of the Panama Canal Act of 1979, sections  
20 2101; 2201–06; 2301; 2401–02 (22 U.S.C. 3831); 3841–  
21 44; 3851–52) are deleted.

22 **SEC. 37. DISINTERMENT, TRANSPORTATION, AND REINTER-**  
23 **MENT OF REMAINS.**

24           Section 3101 of the Panama Canal Act of 1979 (22  
25 U.S.C. 3861) is deleted.

1 **SEC. 38. AMENDMENTS.**

2 Section 3302 of the Panama Canal Act of 1979 is  
3 amended to read as follows:

4 “AMENDMENTS; EXEMPTIONS

5 “SEC. 3302. (a) The Commission is exempt from the  
6 provisions of subchapter II of chapter 6 of title 15, United  
7 States Code.

8 “(b) Title 5, United States Code, is amended by de-  
9 leting all references to the ‘Panama Canal Commission,’  
10 to the ‘Panama Canal Act of 1979,’ and to ‘areas and  
11 installations in the Republic of Panama made available to  
12 the United States pursuant to the Panama Canal Treaty  
13 of 1977 and related agreements’ in sections  
14 3401(1)(F)(iv), 5102(a)(1)(vi), 5342(a)(1)(G),  
15 5343(a)(5), 5348(b), 5373(1), 5537(c) and 5541(2)(xii)  
16 7901(f) (2) and (3).

17 “(c) In section 5102(c) of title 5, United States Code,  
18 paragraph (12) is deleted and the succeeding paragraphs  
19 are renumbered accordingly.”

20 **SEC. 39. REPEALS AND REDESIGNATION.**

21 Section 3303 of the Panama Canal Act of 1979 is  
22 amended to read as follows:

23 “REPEAL

24 “SEC. 3303. Effective on the date of enactment of  
25 this Act, the Panama Canal Code, is repealed.”

1 **SEC. 40. CONTINUED APPLICABILITY.**

2 “Notwithstanding any other section of this Act, sub-  
3 chapter II of chapter 2 of Title I of the Panama Canal  
4 Act of 1979, as amended, and as in effect on the day be-  
5 fore the date of the enactment of this Act, shall continue  
6 to apply to all U.S. agencies, other than the Panama  
7 Canal Commission, to the extent of any election under sec-  
8 tion 1212(b) of Public Law 96–70.”

9 **SEC. 41. REPEAL OF COMPENSATION PROVISION.**

10 Section 1204(b) of the Panama Canal Act of 1979  
11 (22 U.S.C. 3644(b)) is deleted and section 1204(c) of the  
12 Panama Canal Act of 1979 (22 U.S.C. 3644(c)) is reded-  
13 icated as (b).

○