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Senate

The Senate met at 9:31 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

NOTICE

If the 106th Congress, 1st Session, adjourns sine die on or before November 10, 1999, a final issue of the Congressional Record for the 106th Congress, 1st Session, will be published on November 30, 1999, in order to permit Members to revise and extend their remarks.

All material for insertion must be signed by the Member and delivered to the respective offices of the Official Reporters of Debates (Room HT-60 or S-123 of the Capitol), Monday through Friday, between the hours of 10:00 a.m. and 3:00 p.m. through November 29. The final issue will be dated November 30, 1999, and will be delivered on Wednesday, December 1, 1999.

If the 106th Congress does not adjourn until a later date in 1999, the final issue will be printed at a date to be announced.

None of the material printed in the final issue of the Congressional Record may contain subject matter, or relate to any event that occurred after the sine die date.

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By order of the Joint Committee on Printing.

WILLIAM M. THOMAS, *Chairman*.

NOTICE

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MICHAEL F. DiMARIO, *Public Printer*.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

In 1780, Samuel Adams said, If you carefully fulfill the various duties of life, from a principle of obedience to your heavenly Father, you will enjoy a peace that the world cannot give nor take away.

Let us pray.

Gracious Father, we seek to be obedient to You as we fulfill the sacred duties of this Senate today. May the Senators and all who assist them see the work of this day as an opportunity to glorify You by serving our country. We renew our commitment to excellence in all that we do. Our desire is to know and do Your will. Grant us a profound experience of Your peace, true serenity in our soul that comes from complete trust in You, and dependence on Your guidance. Free us from anything that would distract or disturb us as we give ourselves totally to You for the tasks and challenges of this day. In our Lord's name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable GEORGE VOINOVICH, a Senator from the State of Ohio, led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. VOINOVICH). The acting majority leader is recognized.

Mr. SPECTER. I thank the Chair.

SCHEDULE

Mr. SPECTER. On behalf of our distinguished majority leader, I have been asked to make the following announcements.

Today the Senate will resume consideration of the bankruptcy reform legislation with 1 hour of debate on the pending minimum wage amendments. Following the debate, the Senate will proceed to two rollcall votes at approximately 10:30 a.m. There are numerous pending amendments, and others are expected to be offered and debated during today's session. Therefore, Senators may anticipate votes throughout the day. Progress is being made on the appropriations issues, and it is hoped that those remaining issues can be resolved prior to the Veterans Day recess.

BANKRUPTCY REFORM ACT OF 1999—Resumed

Pending:

Kohl amendment No. 2516, to limit the value of certain real or personal property a debtor may elect to exempt under State or local law.

Sessions amendment No. 2518 (to amendment No. 2516), to limit the value of certain real or personal property a debtor may elect to exempt under State or local law.

Feingold (for Durbin) amendment No. 2521, to discourage predatory lending practices.

Feingold amendment No. 2522, to provide for the expenses of long term care.

Hatch/Torricelli amendment No. 1729, to provide for domestic support obligations.

Leahy/Murray/Feinstein amendment No. 2528, to ensure additional expenses and income adjustments associated with protection of the debtor and the debtor's family from domestic violence are included in the debtor's monthly expenses.

Leahy amendment No. 2529, to save United States taxpayers \$24,000,000 by eliminating the blanket mandate relating to the filing of tax returns.

Wellstone amendment No. 2537, to disallow claims of certain insured depository institutions.

Wellstone amendment No. 2538, with respect to the disallowance of certain claims and to prohibit certain coercive debt collection practices.

Kennedy amendment No. 2751, to amend the Fair Labor Standards Act of 1938 to increase the Federal minimum wage.

Domenici amendment No. 2547, to increase the Federal minimum wage and protect small business.

Feinstein amendment No. 1696, to limit the amount of credit extended under an open end consumer credit plan to persons under the age of 21.

Feinstein amendment No. 2755, to discourage indiscriminate extensions of credit and resulting consumer insolvency.

Schumer/Durbin amendment No. 2759, with respect to national standards and homeowner home maintenance costs.

Schumer/Durbin amendment No. 2762, to modify the means test relating to safe harbor provisions.

Schumer amendment No. 2763, to ensure that debts incurred as a result of clinic violence are nondischargeable.

Schumer amendment No. 2764, to provide for greater accuracy in certain means testing.

Schumer amendment No. 2765, to include certain dislocated workers' expenses in the debtor's monthly expenses.

Levin amendment No. 2768, to prohibit certain retroactive finance charges.

Levin amendment No. 2772, to express the sense of the Senate concerning credit worthiness.

LABOR-HHS APPROPRIATIONS

Mr. SPECTER. Mr. President, I wish to make a brief comment, if I may, on one of the items referred to in a statement by the majority leader about the appropriations process, which I think will be of interest to our colleagues and perhaps to others who may be watching on C-SPAN 2.

We had negotiations beginning at 4 o'clock on Sunday afternoon with officials from the White House, and we are trying to resolve those issues in a spirit of accommodation. With respect to the dollars involved, the bill which came out of the Appropriations Committee was \$93.7 billion for the three Departments. That was \$600 million more than the President's figure, and it was \$300 million more than the President's figure on education.

I worked on a bipartisan basis with my distinguished colleague, Senator

HARKIN. The bill was crafted with what we thought was the right dollar amount—frankly, the maximum amount—to pass with votes in substantial numbers from Republicans and an amount which would be acceptable to Democrats and to the President because it was somewhat higher than his figure and we emphasized increased funding for the National Institutes of Health.

The administration has come back with a figure of \$2.3 billion additional, and Congressman PORTER and I made an offer yesterday to add \$228 million, provided we could find offsets because it is very important that we not go into the Social Security trust funds. So that whatever dollars we add to accommodate the President's priorities—we are going to have to have offsets on priorities which the Congress has established. We are prepared to meet him halfway on priorities on dollars—we are going to have to have offsets on priorities which the Congress has established.

There is a much more difficult issue in this matter than the dollars, although the dollars are obviously of great importance, and the issue which is extremely contentious is what will be done on the President's demand to have \$1.4 billion to reduce classroom size to have additional teachers.

The Senate bill has appropriated \$1.2 billion which maintains the high level of last year's funding. When it comes to the issue of the utilization of that money, we are prepared to acknowledge the President's first priority of reduction of classroom size for teachers. But if the local school board makes a factual determination that is not the real need of the local school board, then we propose that the second priority be teacher training. If the local school board decides that is not where the money ought to be spent, then we propose to give it to the school board the discretion as to the spending to local education, as opposed to a strait-jacket out of Washington.

The White House Press Secretary has issued a statement this morning saying that these funds could be used for vouchers, and that is not true. That is a red herring. To allay any concern, we will make it explicit in the bill that the President's concern about the use of these funds for vouchers will be allayed. We are prepared to make that accommodation, although there had never been any intent to use it for vouchers. However, we will make that intent explicit in the bill.

Behind the issue of classroom size and the President's demand is a much greater constitutional issue. That is the constitutional issue of who controls the power of the purse. The Constitution gives the authority to the Congress to establish spending priorities, and we have seen a process evolve in the past few years which does not follow the constitutional format. The Constitution is very specific that each

House will decide on a bill, have a conference, and send that bill to the President for his signature or for his veto; and if he vetoes it, the bill then comes back to the Congress for reenactment. But what has happened in the immediate past has been that executive branch officials sit in with the appropriators and are a part of the legislative process, which is a violation of the principle of separation of powers. Now, I must say that I have been a party to those meetings because that is what is going on. But I want to identify it as a process which is not in conformity with the Constitution. It is something we ought to change. When it comes to the power and the control, what we have seen happen in the last 4 years is that the President has really made an effort, and to a substantial extent a successful effort, to take over the prerogative of the Congress on the power of the purse.

When the Government was closed in late 1995 and early 1996, the Republican-controlled Congress was blamed for the closure. That, candidly, has made the Congress gun-shy to challenge the President on spending issues. Since that time there has been a concession to the President on whatever it is that he wants, sort of "pay a price to get out of town" when people are anxious to have the congressional session adjourn.

Speaking for myself and I think quite a few others in the Congress are not going to put on the pressure to get out of town. We are going to do the job and do it right. Senator LOTT held a news conference yesterday and was asked about the termination time. He said he thought it was possible to finish the public's business by the close of the legislative session on Wednesday, which is tomorrow, but it was more important, as Senator LOTT articulated, to do it right than get it finished by any arbitrary deadline. I concur totally with Senator LOTT. I think it is possible to get the business finished by the end of the working day tomorrow. But it is more important to get it right than to get it finished on any prescribed schedule. In modern times there is too much concern about getting out of town, than perhaps getting the job done right. But we are determined to get it done and to get it done right. If we can get it done by the end of business tomorrow, that is what our goal is. But we are not going to sacrifice getting it done right in order to be able to finish up by Wednesday afternoon to get out of town.

Mr. KENNEDY. Will the Senator yield for a question? Will the Senator yield for a question?

Mr. SPECTER. No, I will not yield here, but I will in just a minute.

What we have seen is the President's ultimatum. He says this issue on schoolteachers is nonnegotiable. That is hardly the way you get into a negotiation session. Then his Chief of Staff, John Podesta, said on Sunday that if the Congress wants to get out of town

they are going to have to accede to the President's demands on teachers, to do it his way. I think that is not appropriate. Congress has the power of the purse under the Constitution. It is our fundamental responsibility on appropriations. We are prepared to negotiate, but we are not prepared to deal with nonnegotiable demands. We are not prepared to deal with ultimatums. We are going back into a session—I don't know whether I should call it a negotiating session or not, because the President talks about nonnegotiable demands. Frankly, I am prepared to meet that with a nonnegotiable demand, not giving up on our prerogative to make a determination as to how the money is to be spent and getting local control over a Presidential strait-jacket.

Now I would be delighted to yield to my distinguished colleague from Massachusetts.

Mr. KENNEDY. I wanted to inquire of the desk what the Senate business was supposed to be? I was under the impression we were supposed to be, at 9:30, on the minimum wage.

The PRESIDING OFFICER. Does the Senator yield the floor?

Mr. SPECTER. I have concluded. I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I ask we extend the time. How much time did the Senator from Pennsylvania expend?

Mr. DOMENICI. What was the question?

Mr. KENNEDY. I asked how much time the Senator from Pennsylvania used?

The PRESIDING OFFICER. The Republican side has 19 minutes left.

Mr. KENNEDY. Just as a matter of inquiry, were taken out of the time of the debate. Is that correct?

The PRESIDING OFFICER. Taken out of the Republican time.

Mr. KENNEDY. OK. Mr. President, I yield myself 12 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I listened to the Senator from Pennsylvania's comments with great interest. I will mention very briefly in defense of the administration, although they can make the case quite well for themselves that if the Appropriations Committee had finished their business on time we would not be in this particular dilemma. Only four appropriations bills were actually completed on time for the fiscal year. So with all respect to our friend on the other side, if the appropriators had placed, particularly the HEW appropriations, first rather than last, I do not think we would be having these kinds of problems in the areas of negotiation between the President and the Congress.

Second, the basic program which the President has been fighting for in this negotiation is almost identical to what the Republicans supported last year.

With all respect to the comments we have just heard, the fact is if the classes reach the goals, the 15 percent set-aside for funding for smaller class sizes can be used to enhance the teacher training. If the school had already achieved the lower class size of 18, it would be used for special needs or other kinds of professional purposes.

So it is difficult for me to understand the frustration of the Senator from Pennsylvania when the Republican leaders all effectively endorse what the President talked about last year. If their position is not sustained, there are going to be 30,000 teachers who are teaching in first, second, and third grades who are going to get pink slips. I don't think the problem in education is having fewer schoolteachers teach in the early grades but to have more.

I want to make clear I am not a part of those negotiations this year, but I was last year. I know what the particular issue is. With all respect to those who are watching C-SPAN II, I want them to know the President is fighting for smaller class sizes as well as for better trained teachers. We have seen Senator MURRAY make that presentation and make it effectively time and again. I think it is something that parents support, teachers understand, and children have benefited from. No one makes that case more eloquently than the Senator from the State of Washington. But I certainly hope the President will continue that commitment. We have scarce Federal resources. They are targeted in areas of particular need. That is the purpose of these negotiations. I hope we can conclude a successful negotiation.

Mr. DOMENICI. Will the Senator yield on my time?

Mr. KENNEDY. On your time, yes.

Mr. DOMENICI. Just for an observation. He might want to answer it.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, the truth of the matter is if schools want the new teachers, under the proposal of the distinguished chairman who just took to the floor to explain the obstinacy of the President, they can have the money for teachers. That is what he is saying. It is up to them. If they want all the money that comes from this appropriation used for teachers, they can have it. If they say, we don't need them, we don't want them, he is saying there is a second priority.

Frankly, I think that is excellent policy with reference to the schools of our country. I believe the Senator from Pennsylvania makes a good point. For the President to continue to say we are not going to get this bill unless we do it exactly his way leaves us with no alternative. We have some prerogatives, too. The fact is, if you read the Constitution, he doesn't appropriate; the Congress does.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, just to respond, we have a need for 2 million teachers. We have scarce Federal resources. If the States or local communities want to do whatever the Senator from New Mexico says, all well and good. But we are talking about scarce Federal resources that are targeted in ways that have been proven effective in enhancing academic achievement and accomplishment.

I am again surprised. The Republicans were taking credit for this last year. I was in the negotiations. Mr. GOODLING and Mr. Gingrich—as we were waiting to find out whether the powers that be, the Speaker, was going to endorse this, when we were waiting and having negotiations—went out and announced it and took credit for it. They took credit for this proposal of the President.

I find it a little difficult to understand this kind of frustration that is being demonstrated here. But we will come back to this and Senator MURRAY can address these issues at a later time. I certainly hope the President will not flinch in his commitment to getting smaller class sizes and better trained teachers and after school programs. That is what this President has been fighting for. I hope he will not yield at this time in these final negotiations, after we have only had four appropriations that have met the deadline. Before we get all excited about these negotiations, if our appropriators had completed this work in time, we would not be here.

Mr. DURBIN. Will the Senator yield for a question?

Mr. KENNEDY. How much time do we have? I will be glad to yield.

The PRESIDING OFFICER. The Senator has 24 minutes.

Mr. KENNEDY. Good. I am glad to yield.

Mr. DURBIN. Mr. President, briefly, I ask my colleague, is it not true this appropriation for education was the last of the bills considered by the Appropriations Committee? Is it not true that we waited until the very last day to even bring up this issue of education, the highest priority for American families? Now we find ourselves trying to adjourn, stuck on an issue that could have been resolved months ago had we made education as high a priority on Capitol Hill as it is in family rooms across America.

Mr. KENNEDY. The Senator is absolutely correct. The Senator from Illinois, the Senator from California, and I know the Senator from Washington as well, had hoped—and I believe I can speak for our Democratic leader—this would be the No. 1 appropriation and not the last one. If we had this as the No. 1 appropriation on the issue of education, we would not have these little statements we have heard this morning. But it is the last one. That is not by accident; that is by choice of the Republican leadership.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Twenty-three minutes.

Mr. KENNEDY. Mr. President, I yield myself 7 minutes.

In a few moments, we will be voting on the minimum wage issue that is before the Senate. I want to review what the record has been over the last 2 years.

In September of 1998, we brought up the minimum wage issue, and were unable to bring that to a vote on the basis of the merits. The Republican leadership said no.

In March of 1999, we tried to bring up this issue. Again, we were denied an opportunity to vote on it.

In April of 1999, we brought it up again as an amendment on Y2K. We were denied an opportunity to have a full debate.

In July of 1999, we brought it up again, and again we were turned down.

Now we have the minimum wage legislation before us, and in a cynical move, the Republican leadership said: Even if you get the passage of the minimum wage, it "ain't" going to go any further; the President isn't going to see it; it is going to end.

It is a sham. Their effort is basically a sham. That is the position in which we find ourselves today.

We know Americans are working longer and harder. The working poor are working longer and harder than at any time in the history of our country. We know that over the last 10 years, women are working 3 weeks longer a year in order to earn the minimum wage and men are averaging 50 hours a week. These are some of the hardest working men and women in the country.

At the height of the minimum wage in the late 1960s, it had the purchasing power that \$7.49 would have today. If we are not able to raise the minimum wage this year and next, its value will be at an all-time low—in a time of extraordinary prosperity in this country. That is fundamentally wrong.

A vote for the Republican amendment will not help working families. It is, in fact, an insult to low-wage workers. It robs them of over \$1,200 as compared to the Democratic proposal, and it drastically undermines the overtime provisions in the Fair Labor Standards Act which has been the law for over 60 years.

The Republican proposal jeopardizes the overtime pay of 73 million Americans. The Republicans did not water down their own pay increase of \$4,600. They are now watering down the increase in the minimum wage, and they are watering down overtime. On the one hand, they are giving an inadequate increase in the minimum wage and taking it back by cutting back on overtime. That is a sham. That is a cynical attempt to try to win support for working families from those who are trying to do justice for those individuals.

We can ask, What difference does an increase in the minimum wage make?

Cathi Zeman, 52 years old, works at a Rite Aid in Canseburg, PA. She earns \$5.68 an hour. She is the primary earner in the family because her husband has a heart condition and is only able to work sporadically. What difference would an increase in the minimum wage mean to Cathi and her family? It would cover 6 months of utility bills for Cathi's family.

Kimberly Frazier, a full-time child care aide from Philadelphia testified her pay of \$5.20 an hour barely covers her rent, utilities, and clothes for her children. Our proposal would mean over 4 months of groceries for Kimberly and her kids.

The stories of these families remind us that it is long past time to raise the minimum wage by \$1 over 2 years. We cannot delay it. We cannot stretch it out. We cannot use it to cut overtime. And we cannot use it as an excuse to give bloated tax breaks to the rich.

Members of Congress did not blink in giving themselves a \$4,600 pay raise. Yet they deny a modest increase for those workers at the bottom of the economic ladder. I do not know how Members who voted for their own pay increase but I do not know how Members who vote against our minimum wage proposal will be able to face their constituents and explain their actions.

It is hypocritical and irresponsible to deny a fair pay raise to the country's lowest paid workers. Above all, raising the minimum wage \$1 over 2 years and protecting overtime pay is about fairness and dignity. It is about fairness and dignity for men and women who are working 50 hours a week, 52 weeks of the year trying to provide for their children and their families.

This is a women's issue because a great majority of the minimum-wage workers are women. It is a children's issue because the majority of these women have children. It is a civil rights issue because the majority of individuals who make the minimum wage are men and women of color. And it is a fairness issue. At a time of extraordinary prosperity this country ought to be willing to grant an increase to the hardest working Americans in the nation—the day-care workers, the teachers aides. They deserve this increase. Our amendment will provide it, and the Republican amendment will not.

Mrs. BOXER. Will the Senator yield for a question?

Mr. KENNEDY. I yield for a question.

Mrs. BOXER. I thank my colleague for yielding. I say to the Senator from Massachusetts how much I appreciate him pushing this forward and how important it is to all of our States. I bring out an article that ran in the paper yesterday and today about the status of children in my home State of California, by far the largest State. I want my friend to respond to these numbers because they really say it.

This is what it says:

Despite a booming economy that has seen a tide of prosperity wash over California in

recent years, nearly 1 in 4 children under 18 in the Golden State lives in poverty. . . .

Although the annual "California Report Card 1999" laments that so many children live in poverty, it paints an especially bleak portrait of a child's first four years of life.

Lois Salisbury, president of Children Now, says:

Among all of California's children, our slightest ones . . . face the most stressful conditions of all. . . .

At a time when a child's sense of self and security is influenced most powerfully, California deals them a [terrible] hand.

I say to my friend, this issue he is raising is so critical. We all say how much we care about the children. Every one of us has made that speech. Today the rubber meets the road. If you care about children, you have to make sure their parents can support them.

My last point is, and I will yield for the answer, I wonder if my friend has seen the New York Times editorial that says:

The Senate will vote today on a Republican-sponsored amendment to raise the minimum wage and they say sadly the Republicans are not content to do this good deed and go home. They have loaded the amendment with tax cuts that are fiscally damaging and cynically focused on wealthy workers. Almost all of the Republican tax cuts go to the wealthy.

One of the economists who looked at this said:

It would encourage the reduction of contributions made by employers to the pensions of the lowest paid workers.

Can my friend comment on the importance of this proposal to children and also this cynical proposal that our colleagues on the other side are presenting?

Mr. KENNEDY. The Senator has raised an enormously important point. Americans who are working in poverty, which is at the highest level in 20 years, are working longer and harder than ever. The men work 50 hours a week or more on average and the women work an average of 3 weeks more a year. They have less time—22 hours less—to spend with their children than they did 10 years ago. That is why this is a children's issue, as the Senator has pointed out.

On the issue the difference between the Republican and the Democratic proposals, the Republicans say that their proposal makes some difference for those individuals who are going to get an increase in the minimum wage over 3 years.

This is a raw deal for them. On the one hand, they give them an increase in the minimum wage, and on the other hand they take back the overtime for 73 million Americans. It is a cynical sham, and it is a cynical sham because the majority leader has said even if it passes, it will never go out of this Chamber. That is the attitude toward hard-working men and women who are trying to play by the rules and get along at a time when they have the lowest purchasing power in the history of the minimum wage and we have the

most extraordinary prosperity. And then they insult these workers even further by adding a \$75 billion tax break over 10 years. And then we just heard about the difficulty we are having in conference about \$1 billion on education because they say we cannot afford to do things, but the same side is suggesting a \$75 billion tax break. Where are they getting their money? So it is a cynical play.

I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. CRAPO). Who yields time?

Mr. DOMENICI. Mr. President, I yield 5 minutes to the Senator from Minnesota off our time.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. I thank the Senator from New Mexico.

Mr. President, I rise today to offer my enthusiastic support for the package of tax proposals introduced by Senator DOMENICI. I'm enthusiastic, in part, because it contains a provision that is very important to me—above-the-line deductibility of health insurance for individuals.

Over 40 million American workers didn't have health insurance in 1997. The number has increased in the last two years to 44 million. This is disturbing, but I believe there is something Congress can do to help without resorting to a national health care system.

Mr. President, when employers purchase a health plan for their employees, he or she can fully deduct the costs of providing that insurance, effectively lowering the actual costs of providing coverage.

However, when an employee purchases an individual policy on their own, they must do so with after tax-dollars. They don't have the ability or the advantage offered to employers to reduce the actual costs of the policy by deducting premiums from their taxes every year. Therefore, they often wind up without any health coverage at all.

Earlier this year, I introduced the Health Care Access Act, which would have ended this discrimination within the Tax Code and make health care available for many more Americans by allowing the full deduction of health insurance for those without access to employer-subsidized health coverage.

We have a tax code that discriminates against some, while favoring others. Clearly, this results in fewer people being covered.

The amendment before us today takes a slightly different approach, but its goal is the same—to level the tax-playing field. By allowing individuals without access to employer-sponsored health insurance, or those whose employers do not cover more than 50 percent of the cost of coverage, to deduct those costs regardless of whether they itemize or not, we can address a growing segment of our uninsured population by doing this.

Under this amendment, from 2002 to 2004, eligible employees can deduct 25

percent of costs, 35 percent in 2005, 65 percent in 2006, and 100 percent after that.

If there are no changes in the health care system and no significant downturn of the economy, we can expect the number of uninsured to reach 53 million over the next ten years. This translates into 25 percent of non-elderly Americans without coverage.

Forty-three percent of the uninsured are in families with incomes above 200 percent of the federal poverty level. Twenty-eight percent of the uninsured work for small firms and 18 percent of all uninsured are between the ages of 18 and 24.

The question that comes to mind is, if we're experiencing record growth in our economy and the unemployment rate is declining, why is the number of uninsured continuing to rise? The answer is costs.

In the event a small business can offer a health plan to its employees, many times it is at a higher cost to the employee than it would be if the employee were to have a job at a larger firm. In this instance, employees have to decide if they believe their health status is such that they can go without health insurance, or if they should spend after-tax dollars to pay for a larger portion of their health insurance. Here is where we have the difficulty.

Individuals employed by small businesses which can't afford to pay more than 50 percent of the monthly premiums for their employees should be able to have the same tax advantage as the employer in paying for their health insurance. Under our plan today, they will. In fact, because the tax deduction is what we call "above-the-line," meaning if would be available to everyone—even if they don't itemize their taxes—we attack the most significant barrier to health coverage again, which is its costs, and move closer to eliminating all barriers to health coverage.

In other words, get more Americans covered by allowing them the deductibility of the costs.

I am also pleased that this amendment includes many other important components such as pension reform and small business tax relief.

We are talking about tax relief for small businesses, not the wealthiest as you hear from the other side of the aisle, but tax relief pinpointed at the hard-working Americans in this country who are also job providers.

Retirement income security is crucial for millions of American workers. This amendment reforms and enhances current pension laws to ensure workers will achieve income security upon retirement. It repeals the unnecessary temporary FUTA surtax, which has become a burden to many small businesses. The amendment allows millions of self-employed Americans to deduct 100 percent of their health insurance costs. This is a critical provision because 61 percent of the uninsured in this country are from a family headed

by an entrepreneur or a small business employee.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GRAMS. I ask for 2 more minutes.

Mr. DOMENICI. I yield the Senator 2 additional minutes.

Mr. GRAMS. In wrapping up, the amendment increases small business expensing to \$30,000. This change alone means an extra \$3,850 in tax savings for each small business in new equipment next year. This amendment also allows small business to increase the meal and entertainment expense tax deduction. The Work Opportunity Tax Credit has helped millions of Americans leave welfare programs and become productive workers in our economy. This amendment makes the WOTC permanent, so small businesses and former welfare recipients will continue to benefit from the Work Opportunity Tax Credit.

It seems unfair to me that in a time of prosperity we hear our colleagues on the other side talking about tax increases. Again, in their plan, they would impose new, even higher taxes. They talk about minimum wage; they are taxing and taxing and taxing those people as they enter the job market. What we need is a plan that will reduce taxes, not increase taxes.

America's small business is the key to our economic growth and prosperity. The health care, pension reform and tax relief measures included in this amendment will help small business continue to work for America and will allow millions of Americans to realize the American Dream.

Again, that is why I rise today to enthusiastically offer my support for the tax package proposed by Senator DOMENICI.

Mr. President, I yield the floor.

Mr. DOMENICI. Mr. President, how much time does each side have remaining?

The PRESIDING OFFICER. The Senator from New Mexico controls 11 minutes 40 seconds; the Senator from Massachusetts controls 13 minutes.

Mr. DOMENICI. How much time would you like, I ask Senator NICKLES?

Mr. NICKLES. Four or 5 minutes.

Mr. DOMENICI. I yield 4 minutes to Senator NICKLES.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, first, I commend my colleague from New Mexico for the work that he has done in providing a more realistic substitute. But the first vote we are going to have today is voting on a motion to table the Kennedy amendment. I urge my colleagues to vote against the Kennedy amendment for a lot of different reasons, one of which is that it dramatically increases the minimum wage—about 20 percent over the next 13½ months. That is a big hit for a lot of small businesses. I am afraid it will prevent a lot of people, low-income people, who want to get their first

jobs—they may not be able to get them. Estimates by some of the economists, CBO, and others, are that it could be 100,000 people; it could be 500,000 people that lose their jobs. It is a big hit.

There are a lot of other reasons to oppose the Kennedy amendment. How many of our colleagues know it has a \$29 billion tax increase, that it extends Superfund taxes? We do not reauthorize the Superfund Program, but we extend the taxes. Many of us agree we need to extend the taxes when we reauthorize the program, but not before and that is in there anyway.

There is a tax increase on business. I received a letter from all the business groups opposing it. It is practically an IRS entitlement program, so they can go after anything they want.

It deals with "Noneconomic attributes," whatever that means, it is a \$10 billion tax increase. It may sound good and some people say that it is just to close loopholes. But it is to give IRS carte blanche to go after anything and everything they want. We reformed IRS and curbed their appetite somewhat, and regardless of those efforts this would be saying: Hey, IRS, go after anybody and everybody.

There is also a provision in the Democrat proposal that hits hospice organizations right between the eyes.

I have put letters from outside organizations addressing this very issue on Members' desks so they may see it for themselves. I ask unanimous consent to print in the RECORD three letters from various hospice organizations.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION FOR HOME CARE,

Washington, DC, November 8, 1999.

DEAR SENATOR: The National Association for Home Care (NAHC) represents home health agencies and hospices nationwide. While generally speaking, NAHC is supportive of efforts to maintain a reasonable minimum wage, a proposed amendment to S. 625 creates serious concerns for hospices across the country.

The proposed amendment would create a civil monetary penalty for false certification of eligibility for hospice care or partial hospitalization services. This proposal would impose a civil monetary penalty of the greater of \$5,000 or three times the amount of payments under Medicare when a physician knowingly executes a false certification claiming that an individual Medicare beneficiary meets hospice coverage standards. On its face, this provision is addressed only to those physicians that intentionally and purposefully execute false certifications. However, the impact of a comparable provision on the access to home health services, as added to the law as Section 232 of the Health Insurance Portability and Accountability Act of 1996, should caution Congress in expanding the provision to apply to hospice services.

Immediately after the physician community became aware of the 1996 amendment, physicians expressed to home health agencies across the country great hesitancy to remain involved in certifying the homebound status of prospective home health patients. The vagueness of the homebound criteria and the stepped up antifraud efforts of the

Health Care Financing Administration brought a chilling effect to physicians. As a result, home health agencies reported that physicians became less involved with homecare patients rather than increasing their involvement as had been recommended by the Office of Inspector General of the U.S. Department of Health and Human Services.

We believe that a comparable physician reaction will occur if this provision of law is extended to hospice services. A recent study reported in the Journal of the American Medical Association indicates that many eligible people may be denied Medicare hospice benefits because the life expectancy of patients with a chronic illness is nearly impossible to predict with accuracy. Medicare requires that the patient's physician and the hospice medical director certify that the patient has no more than six months to live in order to secure entitlement to the Medicare hospice benefit. The foreseeable result of the proposed amendment would be to further discourage physicians from utilizing hospice services for terminally ill patients. The existing scientific and clinical difficulties in accurately predicting the life expectancy of a patient combined with the threat of additional civil monetary penalties will adversely affect access to necessary hospice services. The experiences with home health services indicate that physicians distance themselves from the affected benefit. While the standard of applicability relates to a knowing and intentional false certification, physicians will react out of fear of inappropriate enforcement actions.

There are already numerous antifraud provisions within federal law that apply to the exact circumstance subject to the proposed civil monetary penalties. These existing laws include even more serious penalties such as the potential for imprisonment for any false claim.

We would encourage the Senate to oppose this provision, generally, and in particular, because it is contained in a non-germane legislative effort to increase the federal minimum wage. There is no evidence that physicians engage in any widespread abuse of the Medicare hospice benefit. To the contrary, evidence is growing that hospice services are underutilized as an alternative to more expensive care.

Thank you for all of your efforts to protect senior citizens in our country.

Sincerely,

VAL J. HALAMANDARIS.

HOSPICE ASSOCIATION OF AMERICA,

Washington, DC, November 8, 1999.

DEAR SENATOR: On behalf of the Hospice Association of America (HAA), a national association representing our member hospice programs, thousands of hospice professionals and volunteers, and those faced with terminal illness and their families, I am requesting your support to reject a proposed amendment to S. 625 that would apply civil monetary penalties for false certification of eligibility for hospice care.

It is often difficult to make the determination that a patient is terminally ill (life expectancy of six months or less if the terminal illness run its normal course), because the course of terminal is different for each patient and is not predictable. In some rare cases patients have been admitted to hospice care and have improved so as to be discharged from the program. The determination regarding the terminal status of a patient is not an exact science and should not be judged harshly in retrospect.

In a recent edition of JAMA, The Journal of American Medical Association, researchers reported that the recommended clinical prediction criteria are not effective in a population with a survival prognosis of six

months or less. According to Medicare survival data, only 15 percent of patients receiving Medicare hospice survive longer than six months and the median survival of Medicare patients enrolled in hospices is under 40 days. This information demonstrates what has been well known by those working in the hospice community, the science of prognosis is in its infancy and physicians must use the tools that are available, medial guidelines and local medical review policies developed by the Health Care Financing Administration, as well as their best medical judgment.

Physicians can not be punished for possible overestimation of a terminally ill patient's life expectancy. The only ones to be punished will be the patients in need of hospice services whose physicians will be denied from enrolling appropriate patients, thus denying access to this compassionate, humane, patient and family centered care at the end-of-their lives.

Please reject the proposed amendment to S. 625.

Sincerely,

KAREN WOODS,
Executive Director.

FEDERATION OF
AMERICAN HEALTH SYSTEMS,
Washington, DC, November 8, 1999.

Hon. DON NICKLES,
Assistant Majority leader, U.S. Senate, Washington, DC.

DEAR ASSISTANT MAJORITY LEADER: The Federation of American Health Systems, representing 1700 privately-owned and managed community hospitals has generally not taken a position on the minimum wage bill. However, we find it necessary to object to an amendment that will be offered today during consideration of the bill.

Specifically, we are concerned with an amendment that will apparently address "partial hospitalization" issues. While the Federation supports the goal of improving the integrity of the Medicare program by addressing concerns with partial hospitalization, we oppose its attachment to non-Medicare legislation. Clearly, any amendment that reduces Medicare trust fund spending should either be used to enhance the solvency of the trust fund, or for other Medicare trust fund purposes.

We appreciate your consideration of our position.

Sincerely,

THOMAS A. SCULLY,
President and CEO.

Mr. NICKLES. From the Hospice Association of America:

... I am requesting your support to reject a proposed amendment to S. 1625 that would apply civil monetary penalties for false certification of eligibility for hospice care.

I have a letter from the Federation of American Health Systems urging opposition to the Kennedy amendment. I have a letter from the National Association for Home Care, also in opposition. It says:

We would encourage the Senate to oppose this provision, generally, and in particular, because it is contained in a nongermane legislative effort to increase the minimum wage.

The foreseeable result of the proposed amendment would be to further discourage physicians from utilizing hospice services for terminally ill patients.

Do we want to do that? I don't think so. Certainly we shouldn't do it in this legislation. Let's have hearings to find

out more about this. Let's do it in Medicare reform. Let's do it when we have a chance to know exactly what we are doing because this is strongly opposed by hospice organizations.

I encourage my colleagues to oppose it for all the above reasons. I urge them to vote yes to table the Kennedy amendment. We will move to table it at the appropriate time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield 2 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I rise in support of the Kennedy amendment that we will be voting on shortly. It is important to note that 59 percent of the over 11 million workers who would receive a pay increase as a result of this minimum wage are women—women, by and large, with children; women who, because the minimum wage is so low today, are working two, three, four jobs. Those losing out in the country today because of the lack of a minimum wage increase are our children. They are being left home alone. They aren't getting the attention they deserve. They are not getting the support they deserve. A vote for the Kennedy amendment is a vote for our children.

While I have the floor, I understand the Senator from Pennsylvania came to the floor this morning to question the President's constitutional authority to insist on reducing class size. I remind our colleagues, reducing class size is something we as Democrats have fought for, stood behind, and we stand behind the President in the final budget negotiations. This is not about constitutional authority. It is about making sure young kids in first, second, and third grade get from a good teacher the attention they need in order to read and write and do arithmetic. That is a bipartisan agreement we all agreed upon a year ago, \$1.2 billion to help our local schools reduce class size.

To renege on that commitment 1 year later and to have language which takes that money and gives it to whatever else school districts want to use it for sounds good except we lose out. A block grant will not guarantee that one child will learn to read. A block grant will not guarantee that a child who needs attention will have it on the day he or she needs it. A block grant will not assure that our children get the attention they deserve and learn the skills they need.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mrs. MURRAY. I ask for an additional 30 seconds.

Mr. KENNEDY. Thirty seconds.

Mrs. MURRAY. Mr. President, what we as Democrats are going to stand strong for is a commitment we made a year ago to assure that every child in first, second, and third grade gets the

attention they deserve. If our Republican colleagues want to add additional money to the budget for block grants, for needs in our schools that we agree are important, we are more than happy to talk to them about it. But we believe the commitment we made a year ago is a promise that should be kept.

I thank the Chair and yield the floor.

Mr. KENNEDY. How much time, Mr. President?

The PRESIDING OFFICER. The Senator from Massachusetts controls 10 minutes 34 seconds. The Senator from New Mexico controls 8 minutes 23 seconds.

Mr. KENNEDY. Mr. President, I yield myself 4 minutes.

I again thank the Senators from California and Washington for illustrating in very powerful terms what this issue is all about. It is about working women and families.

With all respect to my friend from Oklahoma, when we had an increase in the minimum wage a few years ago, the Republicans fought it. They said that it would harm the economy and adversely impact small business. In the measure I have introduced we have tried to provide some relief for small businesses and we have paid for it. Now we can't do that because we have some kind of offsets. Therefore, we can't do it.

The fact is, the Republicans are opposed to any increase in the minimum wage. That is the fact. They have been opposed to it even at a time of extraordinary prosperity. This minimum wage affects real people in a very important way, and there is no group in our society it affects more powerfully than women and children. They are the great majority of the earners of the minimum wage, and increasingly so.

These days parents are spending less and less time with their families. In the last 10 years, parents were able to spend 22 hours a week less with their families. Read the Family and Work Institute's report of interviews with small children who are in minimum-wage families. They are universal in what they say. They all say: We wish our mother—or our father—would be less fatigued. We wish they had more time to spend with us. We are tired of seeing our parents come home exhausted when they are working one or two minimum-wage jobs.

That is what this is about. It is about the men and women at the bottom rung of the economic ladder. Are they real? Of course they are real. I have read the stories. We know who they are. They are out there today, this morning, as teacher's aides in our schools. These teacher's aides are working with young children, our future, and yet they don't earn enough to make ends meet.

They are there in the day-care centers. We know that day-care center workers are often at the bottom of the pay scale, earning the minimum wage. As you can see from this graph the purchasing power of the minimum wage

has declined since the last increase. As their wages lose purchasing power, turnover in low paying jobs like child care attendants and those who are working in nursing homes, increases. When people are forced to leave these jobs, there is a deterioration in quality of the service day care centers and nursing homes can offer.

This is about the most important element of our society. It is about fairness. It is about work. We hear all of these speeches on the other side of the aisle about the importance of work. We are honoring work. We are talking about men and women with dignity who have a sense of pride in what they do and are trying to do better and are trying to look out after their families. They are being given the back of the hand by the Republicans.

Their proposal is a sham. It is a raw deal for these workers. On the one hand, they are dribbling out an increase in the minimum wage; on the other hand, they are taking away overtime for 73 million Americans, and in the meantime, they are giving tax breaks to the wealthiest individuals in our society. That is a sham. Beyond that, they say the minimum wage, if we are even fortunate enough to get it to pass the Senate, will never go to the President because the Republican leadership has made a commitment to whoever it might be that it will never go there. That is what we are up against.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. KENNEDY. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I say to my friend from Massachusetts that I can yell as loud as he. But today I won't do that because I believe we have a great bill and a great position.

The Republicans do support the minimum wage. In fact, they are going to vote for the minimum wage that I propose. That is, instead of a dollar coming in two installments, it will come in three, of 35 cents, 35 cents, and 30 cents. Frankly, there will be an overwhelming vote in favor of that.

In addition, we took the opportunity to give small business and some other absolutely necessary situations that need it tax relief. We chose in this bill to do that. Those have been explained fairly well. I will take a minute at the end of my remarks to explain them one more time.

I suggest that the Democrats are living in an era that has passed.

If they were here on the floor in the 1930s, they would have a case. They would have a case that the minimum wage is going to affect poor families supporting their children. That was the issue in the 1930s. But I suggest the best research today says that day is gone in terms of who is impacted by the minimum wage. It is more likely to impact a teenager than it is the head of a household. The fact is, 55 percent of the minimum wage applies to people

between the ages of 16 and 24. The overwhelming number of those are teenagers in part-time jobs, working in McDonald's-type restaurants across America. They need these jobs. They don't even stay in the minimum-wage position very long, according to the research we have seen. If they work well and choose to follow the rules and the orders and do an excellent job, they are raised above the minimum wage rather quickly.

To put it another way, to show that the arguments about who benefits from the minimum wage are passe 1930 arguments, two-thirds of all minimum-wage people are part-time employees. The fact is, the argument that these are women heads of households is absolutely dispelled by reality. The best we can find out is that 8 percent of the minimum-wage employees in America today are women heads of households, not the numbers or the tenor and tone of the argument about the slap of the hand we are giving to those who work in America. Quite the contrary.

Our minimum wage reflects a sufficient increase to match up with inflation, and we permit many people an opportunity to get into the job market. In fact, we make permanent one of the best taxes we have, which is now there on an interim basis. It says if you hire minimum-wage workers out of the welfare system, and you want to take a chance because they aren't capable of doing the jobs and you need to train them, you get a credit for that. That is a very good part of the Tax Code. We make that permanent so it costs something and it uses up some of our tax money.

As to the argument of how big this tax cut is, it is 12.5 percent of the total tax package that the Republicans offered, which passed here and the President vetoed. It tries something very new and exciting. It says to Americans who want to buy their own insurance—because their employers don't furnish it—for the first time, they are going to be permitted to deduct the entirety of their health insurance. Heretofore, they were punished if they tried to buy it, penalized because they didn't get to deduct it while everybody else did. We also made permanent the allowance that the self-employed can take the insurance deduction. We raise that to 100 percent. Everybody knows that is good. Everybody knows that helps with the problem of the uninsured in America, and that is good.

So, for all the talk, the Republicans have come forward with a very good bill. I am very pleased that I suggested to the Republicans the basics of this bill, that we ought to do it in three installments. Some wanted to make it longer. Actually, I think this is exactly the right length of time. Add to that the kind of tax relief we have provided versus the tax increases on that side, and it seems to me there is no choice.

While everybody is clamoring to do something about the estate tax because it is a very onerous tax, as if to try to

punish people, in a minimum-wage bill they raise death taxes and inheritance taxes. I don't care what kind of American they impose it on. We don't have to do that when we are reforming that system because it is somewhat confiscatory. I could go on, but if anybody has any doubt, the gross tax increase under the Democrat package is \$12.5 billion over 5 years, and a \$28.9 billion tax increase over 10 years. What in the world are we increasing taxes for at this point? To pay for a minimum-wage bill? Of course not. It is because they want other tax relief and they choose to raise taxes to give the benefit to someone else. There is sufficient surplus. This is a very small tax cut in our package—12.5 percent of what we perceived was adequate and what we could do about 4 months ago with the surpluses we have. The President proposed \$250 billion, \$300 billion in tax relief. In this bill, they raise taxes rather than take advantage of what we know is the right thing; that is, to reduce taxes in these economic times.

I reserve my remaining time.

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Massachusetts has 6 minutes 49 seconds. The Senator from New Mexico has 1 minute 51 seconds.

Mr. KENNEDY. I yield 3 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. The Senator from New Mexico said he wasn't going to yell. He got a little close to it. But when I hear the yells on that side of the aisle, it is usually related to their passion for helping the wealthiest among us.

The Senator from New Mexico says that the Democrats are living in the past because we want to increase the minimum wage. Well, I have news for the Senator from New Mexico. Compassion for the poorest in our society, those at the bottom rung of the ladder, that is a timeless value; that is a moral value; that is a religious value; that is a value we ought to be proud to have around here. That is not living in the past. Come to Los Angeles, I say to my friend from New Mexico, or look around your big cities. What you will notice is that the people who are living on the minimum wage are adults. We know that to be the fact. A majority of minimum-wage workers are adults—70 percent of them.

In the Democratic proposal, out of those who will benefit from this modest increase, 60 percent of them are women. So if you want to say that we are living in the past, you can say it all you want. But it isn't true.

We saw in September a very chilling story in the L.A. Times about the working poor in Southern California. The National Low-Income Housing Coalition shows that given the high cost of a two-bedroom apartment in L.A., a minimum-wage earner must work 112 hours per week in order to make ends meet.

In San Francisco, it is even worse. A person would have to work 174 hours at minimum wage in order to pay their bills. According to a recent study of the Nation's food banks, 40 percent of all households seeking emergency food aid had at least one member who was working. That is up from 23 percent in 1994.

Low-paying jobs, I say to my friend from New Mexico, are the most frequently cited cause of hunger today, according to this well-documented L.A. Times story.

The L.A. Times, by the way, is now owned by Republicans. So this isn't a question of yesterday, I say to my friend. It is a question of living today. They have made the same arguments every time we raised the minimum wage. The last time they said it would bring the economy down. We have never seen such a strong economy. If the people at the bottom rung are left behind, it is morally wrong and it is economically wrong. It makes no sense. Those are the folks who go out and spend what they earn and they definitely stimulate the economy.

So for anybody to say you are living in the past if you support a minimum-wage increase, they don't know what is going on today. I say that from my heart. I have respect for the Senator from New Mexico, but I think it is insulting to say one lives in the past for wanting to fight for those at the bottom rung of the economic ladder—those women and those children who are living in poverty.

I thank the Chair.

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Massachusetts has 3½ minutes. The Senator from New Mexico has 1 minute 51 seconds.

Mr. KENNEDY. I yield a minute to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, to make a couple of quick points, I was terribly saddened to see as part of another bill that we have a further reduction in child care provisions, which is a major blow again to working families out there. We all know that quality child care makes a difference for these children. In the midst of all of this, we are obviously told you have to come up with some offsets to pay for the provisions in this bill, which we do.

Offsets always attract opposition from one quarter or another. But these are modest offsets to pay for the provisions in the bill. What is going to happen later today we are going to vote on \$75 billion in tax cuts and 56 percent of them go to the top 20 percent of income earners, and there are no offsets—none.

One of the great contradictions is, we are being accused of not liking the offsets, the pays, from some of the provisions and simultaneously we ask our Members to vote for a provision in the bill or vote for the whole bill, including a \$75 billion tax cut over 10 years with no offsets.

Let me underscore, as this millennium date of 50 days away approaches, those at the bottom of the economic rung—working people, the majority who receive the minimum wage and are working full time; they are women, they are Hispanic, they are black—deserve to get a fair shake out of this Senate. In a few minutes, we will have an opportunity to give them that fair shake by providing an increase in the minimum wage, allowing them to enjoy the prosperity of the booming economy.

I yield the floor.

Mr. KENNEDY. Mr. President, it is important to understand exactly what the situation is for our working poor. The number of full-time, year-round workers living in poverty is at a 20-year high: 12.6 percent of the workforce, says the Bureau of Labor Statistics, as of the last 3 days. That is the fact. People are working harder, and they are living in poverty. These are people who value work.

Second, the Bureau of Labor Statistics shows that, of those who will benefit from a minimum wage increase, 70 percent are adults over age 20, and about 30 percent will be teenagers.

If Senators come to Boston and talk to the young people going to the University of Massachusetts, they will find 85 percent of their parents never went to college and 85 percent of them are working 25 hours a week or more. That is true in Boston, in Holyoke, in New Bedford, and Fall River, and cities across the country. I don't know what Members have against working young people who are trying to pay for their education. We have 6 million working in the workforce, and we have 2 million working at the minimum wage. Why are we complaining about that?

The Republican proposal is a Thanksgiving turkey with three right wings. It has a watered-down increase in the minimum wage, it has a poison pill for overtime work, and it has juicy tax provisions for the rich. This Republican turkey is stuffed with tax breaks, and it does not deserve to be passed. Vote for the real increase in the minimum wage; vote for the Daschle increase.

Mr. LEVIN. Mr. President, as the most prosperous nation in the world, our minimum wage should be a living wage, and it is not. When a father or mother works full-time, 40 hours a week, year-round, they should be able to lift their family out of poverty. \$5.15 an hour will not do that. A full time minimum wage job should provide a minimum standard of living in addition to giving workers the dignity that comes with a paycheck. The current minimum wage does not pay a fair wage.

I support the legislation introduced by Representative DAVID BONIOR in the House and Senator TED KENNEDY in the Senate which increases the minimum wage. This legislation, the Fair Minimum Wage Act, will provide a 50 cent increase to the minimum wage on Jan-

uary 1, 2000, and a second 50 cent increase on January 1, 2001. This would raise the minimum wage to \$6.15 per hour by the year 2001.

The minimum wage increase passed in 1996 prevented the minimum wage from falling to its lowest inflation adjusted level in 40 years. The proposed minimum wage increase to \$6.15 in 2001 would get the minimum wage back to the inflation adjusted level it was in 1982.

In this era of economic growth, raising the minimum wage is a matter of fundamental fairness. We must look around and realize that we have the strongest economy in a generation. However, even with our strong economy, the benefits of prosperity have not flowed to low-wage workers. A full time minimum wage laborer working forty hours a week for 52 weeks earns \$10,712 per year—more than \$3,000 below the poverty level for a family of three. The poverty level for a family of three is \$13,880.

Some people are saying that it is not time for a minimum wage increase, that we just raised the minimum wage in 1996 and in 1997. According to the Bureau of Labor Statistics, since the last minimum wage increase of 1996–97, the national unemployment rate has fallen to 4.1%. Not only that, the unemployment rate has dropped in Michigan, it is now 3.4%—lower than the national rate. It is only right that we help these minimum wage earners when the economy is booming.

Retail jobs are often cited as the industry hit hardest by an increase in the minimum wage. However, according to the Bureau of Labor Statistics, 38,900 new retail jobs have been added in Michigan since the last minimum wage increase. Moreover, in Michigan, since September of 1996, 206,000 new jobs have been created. The opponents claimed that the 1996 minimum wage increase would devastate the economy, yet clearly, this has not been the case.

According to the United States Department of Labor, 60% of minimum wage earners are women; nearly three-fourths are adults; more than half work full time. Under the Fair Minimum Wage Act, approximately 243,000 Michiganders would get a raise. These hardworking Americans deserve a fair deal.

The Fair Minimum Wage Act will increase the real value of the minimum wage in 2001 to the purchasing level it was in 1982. It will generate \$2,000 in potential income for minimum wage workers. This \$2,000 will make an enormous impact on minimum wage workers and their families.

Opponents of the minimum wage have said that the minimum wage hurts low income workers. This is not the case. In 1998, seventeen economists, including a Nobel Prize winner, a former president of the American Economics Assn. and a former Secretary of Labor, wrote to President Clinton, supporting an increase in the minimum wage. These experts determined that

the 1996 and 1997 increases had a beneficial effect, not only on those whose earnings were increased, but also on the economy as a whole. In addition to directly impacting workers, billions in added consumer demand helped fuel our expanding economy in those years.

With a prosperous economy, it is only fair that we also reward those who are at the low end of the pay scale spectrum. These people do not always have the leverage to negotiate a fair salary. It is necessary that we act to ensure that they receive a livable wage.

Mr. JEFFORDS. Mr. President, I rise today in support of an increase in the Federal minimum wage. I strongly believe that the time has come to raise the minimum wage again and that we should raise the minimum wage by a \$1.00 an hour increase over the next 2 years.

The minimum wage is not the only way—or even the best way—to give folks in need a helping hand to get out of poverty. But I do believe that it should at least keep pace with inflation. Unfortunately, that is not happening. Today's minimum wage is 19 percent below the 1979 level. To give you a better idea of what this means for working families, consider that a minimum wage employee working full time earns about \$10,700 a year—more than \$3,000 below the \$13,880 poverty line for a family of three. Workers deserve better. At a time when our economy is booming, we should not allow this trend to continue. Instead, we must continue to raise the minimum wage to keep pace with the rising cost of life's basic needs.

My home State of Vermont recently raised the minimum wage to \$5.75 an hour in response to its awareness of the cost of living. Let's follow its lead, a dollar-an-hour increase in the Federal minimum wage will put \$2,000 a year in the pockets of working families at or near the poverty line. And given that 2 years has passed since the last increase, small businesses have had the time to adjust. Although this money will not solve all the problems of the working poor, it will go a long way toward helping minimum wage workers obtain basic needs for themselves and their families.

In addition to raising the minimum wage, there are many other things that Congress can and should do to assist low wage workers and their families. We must continue to search out and support targeted solutions such as the Earned Income Tax Credit (EITC). The EITC provides some 20 million low-income households with a refundable tax credit. Last year, the EITC enabled a worker earning minimum wage, who was either a single parent or the sole wage earning parent of dependent children, to receive up to \$ 3,816 in additional income.

Along with measures that will raise take home pay, I know that we can do more to assist low-income families with their basic needs. Over the past

few years, an organization in Vermont called the Peace and Justice Center has examined how low wage workers and their families were faring in my home State. The Vermont Wage Gap Study showed that while we are enjoying one of the most extraordinary economic booms in the history of our country, thousands of workers in my home State are having great difficulty making ends meet. The study found that the cost of meeting basic needs is more than many of Vermont's low income workers are earning.

For example, the Vermont Job Gap Study indicated that child care and health care are among working families largest expenses. Over the past few years, I have been pushing for national child care legislation to assist these working families with their child care needs. On the health care side, we were able to enact the Children's Health Insurance Program which is helping to improve children's health for working families who cannot afford health coverage for their children. In addition, we should help low income workers in obtaining health insurance. I am currently working on a proposal that would provide uninsured and under-insured workers with the money they need to buy health insurance.

But the predominant factor influencing an individual's ability to support his or her family is not to be found in the minimum wage or the tax code. Study after study has found it is education. Simply put, you earn what you learn. I urge my colleagues to work with me on continuing to pass legislation aimed at improving our educational systems, and job training programs. It is my hope that these efforts will improve the skills and employability of our workforce and will enable low-wage workers to obtain better paying jobs.

I would like to add that I think it is entirely appropriate that an increase in the minimum wage be accompanied by tax breaks for those who will have to shoulder higher wage costs, especially small employers. And I strongly favor several of the tax breaks in this amendment. In particular, I support acceleration of deductibility of health insurance costs for the self-employed; increasing the amount of equipment purchases that small businesses can deduct each year; and providing tax credits to employers who provide on-site child care. At the same time, some of the tax provisions bear little relationship to the impact of a minimum wage hike on small businesses. In addition, I am concerned that we have not had adequate time to explore the implications and effects of all of the tax provisions. My vote in support of this amendment should not be read as an endorsement of each and every tax provision, but rather reflects my fundamental belief that the time has come for a minimum wage increase.

Lastly, I would comment on the language in Senator KENNEDY's amendment increasing disclosure to partici-

pants of cash balance pension plans and prohibiting so-called benefit "wear-aways". This language is being offered in response to the conversion of hundreds of traditional defined benefit pension plans into cash balance or other hybrid arrangements. I believe that legitimate concerns have been raised that notices about the plan changes that were sent to participants have been insufficient. In fact, until recently many workers have been unaware that their plan was amended to significantly reduce the rate at which they are earning benefits. While pension law only requires employers to pay what an employee has actually earned under the plan, when these changes are made toward the middle of a worker's career, the effect can be devastating.

This legislation will help workers better understand what the changes in their plan mean for their retirement plans. It requires plan sponsors to give participants notice of the conversions in a more timely fashion, in plain English and on an individualized basis. In the words of my colleague Senator MOYNIHAN, this disclosure requirement helps to make cash balance conversions transparent for the plan participants. I feel this change is warranted and urgently needed.

But this amendment does more. It also prohibits an unfortunate pension practice called the benefit "wear-away". When some plans are converted, workers with long-years of service may not earn any benefits for a number of years. I believe this practice is unfair. There is no reason why an individual with 20 years of service should not earn any benefits while a younger worker earns benefits immediately. The language in this amendment will effectively prohibit wear-aways.

As we conclude the first session of the 106th Congress, I hold steadfast in my belief that Congress must do everything in its power to help working families. The time has come to raise the minimum wage and give the workers who are depending on it a better shot at self-sufficiency. I believe that a \$1.00 increase over the next 2 years will certainly help. However, I also believe that a slower increase is better than none at all. Therefore if we do not have the votes in the Senate to pass a 2-year increase, I will also support a 3-year increase.

Mr. SARBANES. Mr. President, I rise in strong support of Senator KENNEDY's amendment to raise the Federal minimum wage. I am proud to be an original co-sponsor of the legislation upon which this amendment is based to raise the minimum wage 50 cents a year over the next two years, bringing it to \$6.15 per hour by the year 2001.

For more than half a century, Congress has acted to guarantee minimum standards of decency for working Americans. The objective of a Federal minimum wage is to make work pay well enough to keep families out of poverty and off Government assistance.

Any individual who works hard and plays by the rules should be assured a living standard for his or her family that can keep them out of poverty.

If nothing is done during the year 2000, the real value of the minimum wage will be just \$4.90 in 1998 dollars—about what it was before Congress last acted to increase the minimum wage in 1996. The proposed increase would restore the wage floor slightly above its 1983 level, still leaving it 13% below its 1979 peak. No one asserts that raising the minimum wage will correct every economic injustice, but it will certainly make a significant difference to those on the low end of the economic scale. We have the opportunity to enact what is in my view a modest increase to help curb the erosion of the value of the minimum wage in terms of real dollars, and it is an opportunity which we should not let pass us by.

Currently, a full-time minimum wage worker earns just \$10,712—\$3,000 below the poverty level for a family of three. In 1998, about 4.4 million wage and salary workers, paid hourly rates, earned at and below the minimum wage—about 1.6 million at the minimum rate and 2.8 million below the minimum. A dollar increase in the minimum wage would provide a minimum wage worker with an additional \$2,080 in income per year, helping to bring that family of three closer to the most basic standard of living. This extra income will help a family pay their bills and quite possibly even allow them to afford something above and beyond the bare essentials.

According to the Department of Labor, 70 percent of workers who will benefit from an increase in the minimum wage are adults, 46 percent work full time, 60 percent are women and 40 percent are the sole breadwinners in their families. Mr. President, these are not the part-time workers and suburban teenagers many opponents of the minimum wage increase would have you believe.

After 30 years of spiralling deficits, we now have budget surpluses projected, unemployment is at a 25-year low, and inflation is at a 30-year low. However, despite this period of economic prosperity, the disparity between the very rich in this country and the very poor continues to grow. According to the Economic Policy Institute, projections for 1997 indicate that the share of the wealth held by the top 1 percent of households grew by almost 2 percent since 1989. Over that same period, the share of the wealth held by families in the middle fifth of the population fell by half a percent. In light of these estimates, consider that the Department of Labor predicts that 57 percent of the gains from an increase in the minimum wage will go to families in the bottom 40 percent of the income scale.

It is both reasonable and responsible for Congress to enact measures which provide a standard that allows decent, hard-working Americans a floor upon

which they can stand. We did it back in 1996 when we approved, by a bipartisan vote of 74–24, a 90 cent increase in the minimum wage bringing it to its current level of \$5.15 per hour, and it is appropriate to do it here again. With the economy strong, we have a responsibility to reinforce this basic economic floor for millions of American workers to prevent them from sliding further into the basement.

This is, and always has been, an issue of equity and fairness for working men and women in this country. I strongly urge my colleagues to support this important amendment.

Mrs. LINCOLN. Mr. President, I support the Minimum Wage Proposal offered by Senator KENNEDY because it is fair and responsible. It provides a minimum wage increase to 228,000 Arkansans and 11 million workers nationwide, most of whom are women. It provides important tax relief directly to small businesses to help defray costs of a wage hike. And, perhaps most importantly, it pays for the tax cuts by: offsetting tax adjustments on large estates valued at \$17 million and above, which the Senate voted overwhelming to do in 1997; extending the tax imposed on corporate income for Superfund, which I hope will encourage Superfund reform, and closing corporate tax shelters, which Congress has been trying to do since Ronald Reagan was in the White House.

A \$1 increase in the minimum wage over 2 years is needed to restore the purchasing power or real value of the minimum wage, which has been greatly diminished over the last 20 years by inflation. In the United States, 59% of workers who will gain from a wage increase are women; 70% are adults age 20 and over, and 40% are the sole breadwinners for their families. The bottom line—this proposal will generate \$2,000 in additional income each year for full-time minimum wage workers. As a mother of two young children who balances the check book every month and shops at the supermarket each week, I honestly don't know how a single parent who makes \$5.15 an hour can feed their family and provide other basic necessities for their children.

I am also very supportive of the tax relief provisions in this amendment which will help those who will be most affected by a minimum wage increase—small business owners and family farmers. This common sense package will expand access to health insurance by letting self-employed individuals deduct 100 percent of their health insurance costs, a proposal I have supported for many years. I believe providing 100 percent deductibility now to small business owners and independent farmers is more urgent today than ever as our country experiences one of the worst farm crises in recent memory. Furthermore, I have never understood why we deny a benefit to sole proprietors that is currently available to many large corporations.

This package also includes another priority of mine—estate tax relief for

family owned-farms and small business. Too often those who inherit a business or family farm from a relative must liquidate all or a portion of the property just to pay the estate tax which is owed.

Another provision will help business owners provide child care assistance to their employees by allowing a 25% tax credit for qualified costs. In addition, this amendment will encourage investment in economically depressed areas like the Delta region in Arkansas and strengthen retirement security for workers by reducing small businesses' cost of setting up employee pension plans.

Finally, I am hopeful that extending the tax imposed on corporate income for Superfund will be an added incentive to roll up our sleeves and pass meaningful Superfund reform legislation. I have worked on this issue since I came to Congress in 1993. I and millions of Americans are still waiting for Congress to fulfill its responsibility. I am sorry that our former colleague Senator Chafee, who was very passionate about this issue, died before Congress addressed Superfund reform.

But before I yield the floor, I want to emphasize an important aspect of this plan that should not go unnoticed—it is paid for and does not threaten our government's ability to meet future obligations to Social Security and Medicare beneficiaries. Republicans and Democrats have knocked themselves out over the last year trying to blame each other for spending the Social Security trust fund, so I fail to understand how we can consider a proposal which costs \$75 billion over ten years with virtually no means to pay for it. That is irresponsible and I can't support it.

In short, Mr. President, the Kennedy amendment is a common sense proposal that is good for both employers and employees and I hope my colleagues on both sides of the aisle will stand with me in supporting this legislation.

I thank my colleagues and yield the floor.

Mr. KERRY. Mr. President, since 1938 we have had a minimum standard we accept as the lowest possible wage in our society. Today we are engaged in debate about the need to raise that standard. The modest proposal before us seeks to raise the minimum wage by \$1.00 over the next two years. Even then—even if we succeed in doing what is so obvious, so reasonable, and so fair—Mr. President the real value of the lowest acceptable wage will only reach what it was in 1982, over 17 years ago. We're not really talking about an increase here, we're talking about trying to keep pace, about making work pay, about restoring minimum wage workers to the purchasing power they had nearly two decades ago.

Mr. President, opponents of a minimum-wage increase argue that it increases unemployment rates for entry-level workers, thereby hurting the very

people it is meant to help. But this is not a radical proposal—as some Republicans claim—that will cause a dramatic spike in the unemployment rates and cripple small business. Numerous empirical studies, Mr. President, have found that recent hikes in the minimum wage have had little or no effect on job levels. A 1999 Levy Institute survey of small businesses revealed that more than three-quarters of the firms surveyed said their employment practices would not be affected by an increase in the minimum wage to \$6.00. A September New York Times editorial reported that “. . . a modest hike is not likely to cause higher unemployment, even among low-skilled workers. Indeed, jobless rates fell after the 90-cent minimum-wage hike of 1996-7.”

We have not in the past nor are we now advancing a radical proposal that will reverberate dangerously throughout our economy. We are merely considering a moderate increase in our Nation's wage floor, one that will bring us just back to where we were nearly 18 years ago.

And while the increase is a modest one, it is crucial to today's working families. A \$1.00 increase in the minimum wage will affect 11.4 million workers. Full-time workers will make an additional \$2,000 each year. Many minimum wage jobs do not provide pensions or health care. An additional \$2,000 each year might mean the difference between being sick and getting treatment, the difference between a sickly child and a thriving one. An additional \$2,000 each year might mean the difference between being hungry and being fed.

Currently, a full-time minimum wage worker earns \$10,712 per year—an income well below the poverty line for a family of three or four. Increasing the minimum wage will bring workers wages up to \$12,800 per year, an income still below the poverty line for a family of three. So while we refer to the minimum wage as the lowest wage acceptable in our society, we must acknowledge that even after we pass this modest increase, a full-time minimum wage worker cannot safely raise a family on his/her earnings.

Right now we are facing the greatest wage inequality since the Great Depression. Income inequality between the Nation's top earners and those at the bottom has been widening since the early 1970s. The strong economy and these generally prosperous times cause us to overlook the struggles faced by hard-working families. The growing wage gap between the rich and poor threatens our social fabric and the stability of our Nation. It is our job in the Congress to ensure that stability is maintained—that hard-working individuals are paid a fair wage—that working families can afford the basic necessities of life—that we are the kind of country that values work—and which values the contributions of each working American. It is time we meet that responsibility.

Mr. FEINGOLD. Mr. President, I rise today to urge my colleagues to support efforts to increase the federal minimum wage by adopting the amendment offered by the Senator from Massachusetts, Mr. KENNEDY, the Fair Minimum Wage Act of 1999. This important amendment will provide American laborers with a 50-cent increase to the minimum wage on January 1, 2000, and a second 50-cent increase on January 1, 2001. This modest increase, which would raise the minimum wage to \$6.15 per hour, will help more than 11 million lower income Americans.

Our country's economy is growing. Its economic vitality and the changes wrought by welfare reform have resulted in a better life for many working people—unless those workers are minimum wage workers, anchored to the bottom of the wage scale.

The truth is, even though the economy is roaring, wages at the bottom are stagnant, and hard-working people are still living in poverty. According to the Center on Budget and Policy Priorities, in the mid-1990s, there were 89,000 working poor families with children in Wisconsin. Seventy-four percent of those families had at least one working parent. And sixty-nine percent of these families had at least one working parent and still required some form of public assistance. In this time of a booming economy and low unemployment, these statistics are very troubling. Mr. President, the majority of the poor people of our country are working—the problem is that many of them are holding down low-paying jobs with stagnant wages that do not allow them to finally break free from poverty.

Despite successes in the welfare to work initiative, a 1998 U.S. Conference of Mayors study, entitled “A Status Report on Hunger and Homelessness in American Cities,” indicates that seventy-eight percent of the 30 major U.S. cities surveyed reported an increased demand for emergency food assistance. Thirty-seven percent of those people seeking food at soup kitchens and shelters in 1998 were employed. City officials surveyed listed low-paying jobs as the top cause of hunger in their cities. It is an undeniable disgrace that, in many cases, minimum wage workers cannot afford to feed themselves or their families.

Mr. President, no hard working American should have to worry about affording groceries, shoes for their kids, or medicines. The people this amendment will help are not people who spend their money frivolously. These are the families who scrimp and save to provide their children with the necessities of life: a decent place to live, enough to eat, clothes on their back, a decent education, and some hope for a better future.

The study, “The State of Working Wisconsin-1998,” by the Center on Wisconsin Strategy, contains some troubling news regarding wages. The Wisconsin median hourly wage is still

eight-point-four percent below its 1979 level. Since 1979, Wisconsin's median wage has declined fifty percent faster than the five-point-three percent national decline over the same period. These numbers are, sadly, not unique to Wisconsin. This is the situation all over the country.

And this is the situation that the Kennedy amendment will help to address. According to the Economic Policy Institute, more than 205,000 workers in my home state of Wisconsin, or fifteen-point-one percent of Wisconsin's workforce, will benefit from the modest increase in this amendment. Those are real people, Mr. President. Real people who deserve this modest raise in pay for the work they do to support their families and to keep the American economy moving.

Opponents of this increase argue that it will hurt the economy. The Bureau of Labor Statistics reports that the 1996 and 1997 raises in the minimum wage had a positive impact on the economy. Unemployment has dropped to four-point-one percent, the lowest mark in three decades. Nine-point-one million new jobs have been created. And there is no reason to believe that this proposed increase will not have the same result. In fact, history shows that minimum wage increases have not had a negative impact on unemployment.

This modest increase of 50 cents per year is really not a hike at all after inflation—over the next two years it will simply restore the real value of the minimum wage to its 1982 level. So by the time the second installment of this proposed increase would go into effect, the buying power of workers scraping by on the minimum wage will be only what is was when Ronald Reagan was a new president. Meanwhile, wages at the high levels have been climbing steadily while the real value of the minimum wage has eroded.

I urge my colleagues to begin to restore some respect for the dignity of work to the federal minimum wage. The lowest paid workers in America's labor force deserve a chance to earn a decent living and we need to give them the tools. I urge every Senator to support the Kennedy amendment. It is a vote to reward work and to support every American worker.

Mr. ROTH. Mr. President, there are a few brief observations that would serve us well as we engage in this debate over minimum wage. Through the years, members on both sides of this issue have been able to come together successfully, to effect minimum wage increases.

I believe we will be able to come together again, to advance a proposal that is good for individuals, as well as for economic growth and job creation. And I believe that in this effort it would be good to have such a common sense proposal follow the model of our actions in 1996.

As my colleagues know, three years ago we successfully enacted the Small

Business Tax Act, which provided reasonable tax relief for businesses most affected by the costs incurred with the minimum wage increase. The current minimum wage of \$5.15—which took effect on September 1, 1997—was established in that act. Minimum wage agreements prior to 1997 followed a similar pattern of consensus building.

This year, as we again consider raising the minimum wage, there are a number of tax issues involved. The minimum wage amendment proposed by Senator DOMENICI includes a package of tax measures that were previously approved by the Senate Finance Committee. The Finance Committee has jurisdiction over these matters, and as these proposal had been previously vetted within our committee, I agreed to allow them to come straight to the floor.

On the other hand, I am concerned with the revenue offsets included in the minimum wage amendment proposed by Senator KENNEDY. Many of these provisions are controversial proposals which have been rejected by this Congress. And we need to be very careful as we proceed considering them.

What is important is that we progress on this important issue—that if we are unable to agree on a compromise in this session as we are so close to adjournment, we will be able to successfully conclude this matter soon after our return next year.

The PRESIDING OFFICER. All time of the Senator from Massachusetts has expired.

The Senator from New Mexico has 1 minute 51 seconds.

Mr. DOMENICI. I thank Senator KENNEDY for a good debate. It was pretty exciting for so early in the morning. The Senator is pretty energetic even at 9 o'clock.

However, let me close by saying our amendment saves small business and gives them an opportunity to grow and prosper and energize this economy; at the same time, it gives every opportunity for the young people in our country to get into jobs wherein they break into the marketplace, that first-level job, and get those kinds of jobs in sufficient numbers to be helpful for whatever they are doing. There are even high school students doing this. They are 50 percent of the minimum-wage people in this country.

I have nothing against them. I have eight children; six of them worked in restaurants before they went to college and saved enough money because I didn't have enough money to put them through, having that many children. I understand that. They worked hard. They got promoted.

Nothing could be further from the truth that we are trying to hurt young people, whatever their status. We want them and their employers to continue to have a mutual opportunity—mutual for the small business to energize the economy and mutual for job opportunity at the first level of employment in the American system.

If Members are speaking of women heads of households, they are not talking about the minimum wage today; they are talking about the minimum wage 30 years ago. Eight percent of the minimum-wage earners in America today are women with full-time jobs—not 30, 40, or 50; 8 percent.

Clearly, we are trying to give everybody an opportunity to get better training and move ahead in job opportunities in the United States.

I move to table the Kennedy amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 2751. The yeas and nays have been ordered. The clerk will call the roll.

The legislative assistant called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

Mr. REID. I announce that the Senator from South Carolina (Mr. HOLINGS) is absent because of a death in his family.

The result was announced—yeas 50, nays 48, as follows:

{Rollcall Vote No. 356 Leg.}

YEAS—50

Abraham	Fitzgerald	McConnell
Allard	Frist	Murkowski
Ashcroft	Gorton	Nickles
Bennett	Gramm	Roberts
Bond	Grams	Roth
Brownback	Grassley	Santorum
Bunning	Gregg	Sessions
Burns	Hagel	Shelby
Campbell	Hatch	Smith (NH)
Cochran	Helms	Smith (OR)
Collins	Hutchinson	Stevens
Coverdell	Hutchison	Thomas
Craig	Inhofe	Thompson
Crapo	Kyl	Thurmond
DeWine	Lott	Voinovich
Domenici	Lugar	Warner
Enzi	Mack	

NAYS—48

Akaka	Edwards	Lieberman
Baucus	Feingold	Lincoln
Bayh	Feinstein	Mikulski
Biden	Graham	Moyihan
Bingaman	Harkin	Murray
Boxer	Inouye	Reed
Breaux	Jeffords	Reid
Bryan	Johnson	Robb
Byrd	Kennedy	Rockefeller
Chafee, L.	Kerrey	Sarbanes
Cleland	Kerry	Schumer
Conrad	Kohl	Snowe
Daschle	Landrieu	Specter
Dodd	Lautenberg	Torricelli
Dorgan	Leahy	Wellstone
Durbin	Levin	Wyden

NOT VOTING—2

Hollings McCain

The motion was agreed to.

Mr. NICKLES. I move to reconsider the vote.

Mr. INHOFE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2547

Mr. DOMENICI. Parliamentary inquiry, Mr. President. What is the next order of business?

The PRESIDING OFFICER. There will now be 4 minutes of debate equally divided on the Domenici amendment.

Does the Senator from New Mexico wish to begin debate?

Mr. DOMENICI. I say to Senator KENNEDY, I am prepared to yield back my time. Are you?

Mr. KENNEDY. No. If we could have order, Mr. President.

The PRESIDING OFFICER. The Senate will be in order. Senators please take their conversations off the floor.

Mr. KENNEDY. The Senator from Maryland would like to address this issue, and I yield her the time on our side.

I would insist on order, if I could.

The PRESIDING OFFICER. Senators please take their conversations off the floor. The Senate will be in order.

The Senator from Maryland is recognized for 2 minutes.

Ms. MIKULSKI. Mr. President, I rise in opposition to the Republican amendment. I believe it is a watered-down, slowed-down, pennies-to-the-poor approach.

Why raise the minimum wage? We are in the greatest prosperity that the United States of America has ever seen. We have the opportunity to raise the standard of living for the poor. I believe what we need to do, now that we have moved hundreds of thousands of people from welfare, is to make work worth it.

Who are the people we are talking about? We are talking about the working poor who raise our children, who care for our elderly, many working two or three jobs to hold the family together.

I believe we need to make a commitment to the working poor, as we cross into the new century, that if you live in the United States of America and you work, you should not be poor.

The amendment the Senator from Massachusetts proposed was modest. It was spread over a 2-year period. It would take us into 2001. Why should a day-care worker make less than someone who works 40 hours a week at a bank job? We need to make sure that in this country, in order to sustain the efforts we have made in improving the standard of living for people, if you work, you will not be poor.

I yield such time as I might have.

Mr. ABRAHAM. Mr. President, I rise to express my strong support for this important amendment. Without touching Social Security, it would provide significant assistance to millions of Americans struggling economically even during this time of sustained growth.

I believe this amendment demonstrates my party's continuing commitment to fostering economic growth and helping those in need. And we should not forget that, despite recent economic good times, there are many Americans who remain in economic need.

African-American youths continue to suffer from an unemployment rate

three times that of white youths. Hispanic youths suffer from an unemployment rate ten points higher than that of whites. And 8 million American families continue to live in poverty.

We can do better. We can do better.

I believe this amendment constitutes an important step forward in our drive to unleash the entrepreneurial energies of the American people; energies that can lift individuals out of poverty as they push communities to higher levels of prosperity.

This amendment contains an important provision of the Renewal Alliance package I have been working toward since coming to the United States Senate. It also contains a number of other provisions that I believe represent the responsible way to raise the minimum wage: by ensuring that businesses do not find themselves saddled with costs that lead them to lay off minimum wage workers, exactly those proponents of a minimum wage hike are trying to assist.

This amendment addresses three major areas of concern to Americans striving to work their way into our vast middle class: work opportunity, investment, and health insurance.

First, as to work opportunity. In my view opportunity is the key to progress. I have sought to increase this opportunity through the Renewal Alliance, a bipartisan group of Senators seeking targeted tax benefits to spur economic growth in our nation's distressed urban and rural communities. This amendment contains key provisions of the Renewal Alliance program.

Most important is a provision to permanently extend the Work Opportunity Tax Credit. A credit of up to \$2,400 for wages paid would provide businesses with extra funds for investment in growth and employee training. As a result, many Americans currently without bright futures will receive experience and training—the keys, in my view, to economic success.

Also critical to providing increased work opportunity are provisions in this amendment that encourage greater investment, and greater investment in small businesses in particular.

Mr. President, 99 percent of American employers are small businesses. Small businesses employ more than half our private work force, and they have consistently been the engine of our economic growth, whether in traditional industries or on the cutting edge of high technology.

Further, Mr. President, it is often small business owners who are willing to take a chance on someone in need—someone without experience, someone who has fallen on hard times.

If they are to employ more Americans who are in need, Mr. President, our small businesses must have access to more investment capital. This amendment would address our continuing shortage of investment, thereby spurring small business growth and hiring.

First, it would increase the maximum dollar amount small businesses

can deduct for investment in business property. By increasing this amount to \$30,000, beginning in 2001, the amendment would provide an additional \$3,850 in annual tax savings for small businesses investing in new equipment.

Second, the amendment would provide more than 50 provisions encouraging investment in pensions. They would expand coverage, enhance fairness for women, increase portability, strengthen security and reduce regulatory burdens.

Finally, this amendment would address inequities in our tax structure that keep an estimated 44 million Americans from affording health insurance. 44 million is a distressing number. Equally distressing is the fact that fully 81 percent of uninsured Americans have jobs.

Too many Americans, including the self-employed, the unemployed, and employees of small companies that do not provide health insurance, can't afford coverage. Why not? Because, under our tax code, they must pay taxes first, and buy insurance with whatever they have left over—if anything.

Paying with after-tax dollars can make health insurance twice as expensive—too expensive for millions of working Americans.

We must address this inequity in our tax code. This amendment would do just that.

First, it would enable self-employed Americans to deduct the full cost of health insurance. Finally, entrepreneurs would get the same tax benefits as larger companies.

Second, this amendment would provide an above-the-line deduction for individuals whose employers do not subsidize more than 50% of the cost of health coverage. Thus all workers, not just those who itemize, would be better able to afford health care costs.

Taken together, these provisions would provide significantly greater economic opportunity for all Americans. They would safeguard our economic growth and spur further investment in American workers.

I urge my colleagues to give this important amendment their full support.

Mr. MOYNIHAN. Mr. President, I wish to point out a concern I have with a seemingly innocuous, seemingly beneficial, provision contained in the Domenici amendment to S. 625, the "Bankruptcy Reform Act of 1999"—Section 68. Modification of Exclusion for Employer Provided Transit Passes. The goal of the provision—to expand the use of the Federal transit benefit, a "qualified transportation fringe" in the vernacular—is admirable, but I fear that the way in which the provision pursues that goal may, in fact, unintentionally undermine the transit benefit.

The employer-provided Federal transit benefit has evolved since its creation within the Deficit Reduction Act of 1984 as a \$15 per month "de minimis" benefit. After fourteen years of gradual change, last year's Transportation Eq-

uity Act for the 21st Century (TEA-21) codified the benefit as a "pre-tax" benefit of up to \$65 per month. The cap will increase to \$100 in 2002. The "pre-tax" aspect was a major reform because it provided an economic incentive—payroll tax savings—for employers to offer the program. Companies would save money by offering a benefit of great utility to their workers while simultaneously removing automobiles from our choked and congested urban streets and highways. It is effective public policy. (As an aside, I should note that a similar pre-tax benefit of \$175 per month exists for parking, and so despite all we know about air pollution and the intractable problems of automobile congestion, Congress continues to encourage people to drive. Discouraging perhaps, but we're closing the gap. If one doesn't have thirty years to devote to social policy, one should not get involved!)

Quite consciously, and conscientiously, Congress established a bias in the statute toward the use of vouchers—which employers can distribute to employees—over bona fide cash reimbursement arrangements. We permitted employers to use cash reimbursement arrangements only when a voucher program was not readily available. We reasoned that because the vouchers could only be used for transit, we would eliminate the need for employees to prove that they were using the tax benefit for the intended purpose. Furthermore, by stipulating that voucher programs are the clear preference of Congress, we are compelling transit authorities to offer better services—monthly farecards, unlimited ride passes, smartcards, et al.—to the multitudes of working Americans who must presently endure all manner of frustrations and indignities during their daily work commute.

While the new law has only been in effect for little more than a year, the program is catching on in our large metropolitan areas and should continue to expand. We have been alerted, however, to a legitimate concern of large multistate employers. Several of these companies have noted that establishing voucher programs can be arduous and unwieldy when the companies must craft separate programs in various jurisdictions with different transportation authorities. These difficulties, coupled with an expertise in administering cash reimbursement programs, have convinced the companies that bona fide cash reimbursement programs are more practical. Fair enough.

We should, therefore, make it easier for such companies to offer the benefit through cash reimbursement arrangements. While I am committed to that end, I have serious reservations about the repeal of the voucher preference contained in the Domenici amendment.

My main objection is that the U.S. Treasury is currently developing substantiation regulations for the administration of this benefit through cash reimbursement arrangements. These

regulations will provide companies with a clear understanding of their obligations in the verification of their employees' transit usage, an understanding which does not exist today. Until these regulations are promulgated, voucher programs offer the only true mechanism of verification, as vouchers, unlike cash, are useless unless enjoyed for their intended purpose. The Congress should not take an action that might rapidly increase the use of a tax benefit without the existence of accompanying safeguards to ensue the program's integrity.

I will work with my colleagues on the Finance Committee, with my revered Chairman, and any Senator interested in this issue, to improve the ease with which companies can offer this important benefit to their employees. It is, after all, in our national interest. But I must strongly oppose efforts to repeal the voucher preference until the Treasury establishes a regulatory framework for cash reimbursement. We have been told to expect the regulations by mid-January. We anxiously await their arrival.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico.

Mr. DOMENICI. Mr. President, the Republican bill does the following: It raises the minimum wage \$1 in three installments instead of two. It gives great opportunity to small businesspeople and others who have been denied relief under the Tax Code of this country.

Let me explain so everybody will understand the basic ones we try to help in this bill. One, we help workers pay for health care. For the first time in history, workers in the United States, many who work for small businesses, can buy their own health insurance and deduct every penny of it. Heretofore, they could not do that. We have a 100 percent self-employed health insurance deduction. That should have been the case 10 years ago. We finally have it in this bill.

We made permanent the work opportunity tax credit, which is to help employers, mostly small businesses, hire those who cannot get jobs, and they get a credit for it. We made that permanent. That is good for America since we have reduced the number of welfare recipients in America by 48 percent; and we need to make permanent the incentive to hire them.

We have reduced the Federal unemployment surtax. As I said, we have made permanent that work opportunity tax credit I just told you about.

In addition, there is no question that the Democrats decided to raise taxes to pay for their wage increases. So they raise taxes almost \$13 billion in the first 5 years, which is not necessary with the kind of surpluses that we have. We have used merely 12.5 percent of the tax cuts we had proposed 5 months ago. So 12.5 percent of them are in this bill.

This is the right thing to do.

Let me close by telling you, 55 percent of the minimum wage earners in America are young people; two-thirds are part-time workers; and 8 percent are women who are heads of households working full time.

I yield the floor.

Mr. KENNEDY. I yield myself the remaining 30 seconds.

Mr. President, first, this is a watered-down increase in the minimum wage that does not deserve to pass. It is a sham.

Second, this legislation assaults the whole formula on overtime. It threatens overtime for 73 million Americans.

And third, it provides \$75 billion in tax breaks for wealthy individuals that is not paid for.

It does not deserve the support of the Senate. I hope it will be defeated.

The PRESIDING OFFICER. All time has expired. The question is on the amendment.

Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2547. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

Mr. REID. I announce that the Senator from South Carolina (Mr. HOLLINGS) is absent because of a death in the family.

The result was announced—yeas 54, nays 44, as follows:

[Rollcall Vote No. 357 Leg.]

YEAS—54

Abraham	Enzi	Mack
Allard	Fitzgerald	McConnell
Ashcroft	Frist	Murkowski
Bennett	Gorton	Nickles
Bond	Gramm	Roberts
Brownback	Grams	Roth
Bunning	Grassley	Santorum
Burns	Gregg	Sessions
Campbell	Hagel	Shelby
Chafee, L.	Hatch	Smith (NH)
Cleland	Helms	Smith (OR)
Cochran	Hutchinson	Snowe
Collins	Hutchison	Specter
Coverdell	Inhofe	Stevens
Craig	Jeffords	Thomas
Crapo	Kyl	Thompson
DeWine	Lott	Thurmond
Domenici	Lugar	Warner

NAYS—44

Akaka	Feingold	Lincoln
Baucus	Feinstein	Mikulski
Bayh	Graham	Moynihan
Biden	Harkin	Murray
Bingaman	Inouye	Reed
Boxer	Johnson	Reid
Breaux	Kennedy	Robb
Bryan	Kerrey	Rockefeller
Byrd	Kerry	Sarbanes
Conrad	Kohl	Schumer
Daschle	Landrieu	Torricelli
Dodd	Lautenberg	Voinovich
Dorgan	Leahy	Wellstone
Durbin	Levin	Wyden
Edwards	Lieberman	

NOT VOTING—2

Hollings

McCain

The amendment (No. 2547) was agreed to.

Mr. NICKLES. I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

(Mr. ENZI assumed the Chair.)

Mr. LEAHY. Mr. President, to bring Senators up to date on where we are, the distinguished Senator from New Jersey, Mr. TORRICELLI, and I have been working with the distinguished Senators from Iowa and Utah, Messrs. GRASSLEY and HATCH, to clear as many amendments as we can agree to. Senators GRASSLEY, HATCH, TORRICELLI, and I have been able to get a number of these agreed to. We have more than 10 amendments we are ready to accept to show we are making progress on this bill.

For the benefit of Senators, I will briefly describe these amendments we are prepared to accept. We are prepared to accept the Feingold amendment No. 2745, an amendment to improve the bill by prohibiting retroactive assessments of disposable income. It ensures that farmers forced into bankruptcy can continue to carry on their farming operations without retroactive assessments against their disposable income.

We are prepared to accept Robb amendment No. 1723 which improves the bill by clarifying the trustees shall return any payments not previously paid and not yet due and owing to lessors and purchase money secured creditors if a plan is not confirmed.

We are prepared to accept Grassley amendment No. 1731, a bipartisan amendment improving the bill by giving bankruptcy judges the discretion to waive the \$175 filing fee for chapter 7 cases for debtors whose annual income is less than 125 percent of the poverty level. Bankruptcy is the only civil proceeding where in forma pauperis filing status is not permitted. This amendment corrects that anomaly. The Grassley amendment is cosponsored by Senators TORRICELLI, SPECTER, FEINGOLD, and BIDEN.

Feingold amendment No. 2743 improves the bill by striking the requirement that debtor's attorneys must pay a trustee's attorney fees if the debtor is not substantially justified in filing for chapter 7. The current requirement that debtor's attorney must pay a trustee attorney's fee often causes a chilling effect of discouraging eligible debtors from filing chapter 7 for fear of paying future fees. Senator SPECTER is a sponsor of this amendment.

We have Hatch amendment No. 1714 improving the bill by adding procedures for the prosecution of materially fraudulent claims in bankruptcy schedules.

Hatch amendment No. 1715 improves the bill by dismissing bankruptcy cases if the debtor commits a crime of violence or a drug trafficking crime.

The Kerry amendment No. 1725 modifies the deadlines for small business bankruptcy filings. Small businesses need the reasonable time limits of this amendment to reorganize their businesses.

We have the Collins amendment No. 1726, a bipartisan amendment improving the bill by providing bankruptcy rules for family fishermen. The amendment is cosponsored by Senators KERRY of Massachusetts, MURRAY, STEVENS, and KENNEDY.

Johnson amendment No. 2654 improves the bill by paying chapter 7 trustees if a case is dismissed or diverted under the bill's means test.

The DeWine amendment No. 1727 improves the bill by clarifying that a debt from a qualified education loan under the Internal Revenue Service Code is nondischargeable.

Grassley amendment No. 2514 improves the bill by clarifying a special tax assessment on real property secured debts under bankruptcy laws. Many municipal governments, particularly in California, depend on these real estate taxes or assessments for revenues. The distinguished Senator from California, Mrs. FEINSTEIN, is a cosponsor of this amendment.

Senators had been coming to the floor Friday and Monday to offer amendments. Even though we had only half a day of debate yesterday, Senators from both sides of the aisle offered amendments to improve the bill.

So I urge Senators to continue to do that. We could accept a vote or otherwise dispose of the Democratic and Republican amendments. I have discussed this with the distinguished Senator from Iowa. Both of us would like, if at all possible, to whittle down the number and be able to tell our colleagues at what point we are apt to finish the bill. We have been working. I don't think we have even had quorum calls.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Iowa.

Mr. GRASSLEY. Mr. President, first of all, I thank the Senator from Vermont for his encouragement of all Members that although we have had so many amendments filed, it would be determined that every amendment either be offered or else dropped from the list. I hope later on this afternoon we can finish that process.

Mr. LEAHY. I thank my colleague.

AMENDMENTS NOS. 2745, 1723, 1731, 2743, 1714, 1715, 1725, 1726, 2654, 1727, 2514 EN BLOC

Mr. GRASSLEY. With respect to the individual amendments that the Senator from Vermont just gave details of, I ask unanimous consent the amendments listed be considered en bloc, agreed to en bloc, and the motion to reconsider be laid on the table.

They are amendments Nos. 2745, 1723, 1731, 2743, 1714, 1715, 1725, 1726, 2654, 1727, 2514.

Mr. LEAHY. We have no objection.

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

The amendments (Nos. 2745, 1723, 1731, 2743, 1714, 1715, 1725, 1726, 2654, 1727, 2514) were considered and agreed to en bloc, as follows:

AMENDMENT NO. 2745

(Purpose: To prohibit the retroactive assessment of disposal income)

At the end of title X, insert the following:

SEC. ____ PROHIBITION OF RETROACTIVE ASSESSMENT OF DISPOSABLE INCOME.

(a) IN GENERAL.—Section 1225(b) of title 11, United States Code, is amended by adding at the end the following:

“(3) If the plan provides for specific amounts of property to be distributed on account of allowed unsecured claims as required by paragraph (1)(B), those amounts equal or exceed the debtor's projected disposable income for that period, and the plan meets the requirements for confirmation other than those of this subsection, the plan shall be confirmed.”.

(b) MODIFICATION.—Section 1229 of title 11, United States Code, is amended by adding at the end the following:

“(d)(1) A modification of the plan under this section may not increase the amount of payments that were due prior to the date of the order modifying the plan.

“(2) A modification of the plan under this section to increase payments based on an increase in the debtor's disposable income may not require payments to unsecured creditors in any particular month greater than the debtor's disposable income for that month unless the debtor proposes such a modification.

“(3) A modification of the plan in the last year of the plan shall not require payments that would leave the debtor with insufficient funds to carry on the farming operation after the plan is completed unless the debtor proposes such a modification.”.

AMENDMENT NO. 1723

(Purpose: To clarify the amount of payments to be returned to a debtor if a plan is not confirmed, and for other purposes)

On page 106, line 16, insert “and not yet due and owing” after “previously paid”.

AMENDMENT NO. 1731

(Purpose: To provide for a waiver of filing fees in certain bankruptcy cases, and for other purposes)

On page 145, between lines 15 and 16, insert the following:

SEC. 420. BANKRUPTCY FEES.

Section 1930 of title 28, United States Code, is amended—

(1) in subsection (a), by striking “Notwithstanding section 1915 of this title, the parties” and inserting “Subject to subsection (f), the parties”; and

(2) by adding at the end the following:

“(f)(1) The Judicial Conference of the United States shall prescribe procedures for waiving fees under this subsection.

“(2) Under the procedures described in paragraph (1), the district court or the bankruptcy court may waive a filing fee described in paragraph (3) for a case commenced under chapter 7 of title 11 if the court determines that an individual debtor whose income is less than 125 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved is unable to pay that fee in installments.

“(3) A filing fee referred to in paragraph (2) is—

“(A) a filing fee under subsection (a)(1); or

“(B) any other fee prescribed by the Judicial Conference of the United States under

subsection (b) that is payable to the clerk of the district court or the clerk of the bankruptcy court upon the commencement of a case under chapter 7 of title 11.

“(4) In addition to waiving a fee under paragraph (2), the district court or the bankruptcy court may waive any other fee prescribed under subsection (b) or (c) if the court determines that the individual with an income at a level described in paragraph (2) is unable to pay that fee in installments.”.

AMENDMENT NO. 2743

(Purpose: To modify the standard for the award of attorneys' fees)

On page 12, strike line 22 and insert “frivolous.”.

AMENDMENT NO. 1714

(Purpose: To provide for improved enforcement of criminal bankruptcy filing provisions, and for other purposes)

On page 28, line 7, after “debt”, insert “and materially fraudulent statements in bankruptcy schedules”.

On page 28, line 12, after the period, insert “In addition to addressing the violations referred to in the preceding sentence, the individuals described under subsection (b) shall address violations of section 152 or 157 relating to materially fraudulent statements in bankruptcy schedules that are intentionally false or intentionally misleading.”.

On page 28, line 25, strike the quotation marks and the second period.

On page 28, after line 25, insert the following:

“(d) BANKRUPTCY PROCEDURES.—The bankruptcy courts shall establish procedures for referring any case which may contain a materially fraudulent statement in a bankruptcy schedule to the individuals designated under this section.”.

On page 29, strike the item between lines 3 and 4 and insert the following:

“158. Designation of United States attorneys and agents of the Federal Bureau of Investigation to address abusive reaffirmations of debt and materially fraudulent statements in bankruptcy schedules.”.

AMENDMENT NO. 1715

(Purpose: To amend section 707, of title 11, United States Code, to provide for the dismissal of certain cases filed under chapter 7 of that title by a debtor who has been convicted of a crime of violence or a drug trafficking crime)

On page 14, between lines 14 and 15, insert the following:

(c) DISMISSAL FOR CERTAIN CRIMES.—Section 707 of title 11, United States Code, as amended by subsection (a) of this section, is amended by adding at the end the following:

“(c)(1) In this subsection—

“(A) the term ‘crime of violence’ has the meaning given that term in section 16 of title 18; and

“(B) the term ‘drug trafficking crime’ has the meaning given that term in section 924(c)(2) of title 18.

“(2) Except as provided in paragraph (3), after notice and a hearing, the court, on a motion by the victim of a crime of violence or a drug trafficking crime, or at the request of a party in interest, shall dismiss a voluntary case filed by an individual debtor under this chapter if that individual was convicted of that crime.

“(3) The court may not dismiss a case under paragraph (2) if the debtor establishes by a preponderance of the evidence that the filing of a case under this chapter is necessary to satisfy a claim for a domestic support obligation.”.

On page 14, line 15, strike "(c)" and insert "(d)".

AMENDMENT NO. 1725

(Purpose: To amend plan filing and confirmation deadlines)

On page 155, line 16, strike "90" and insert "180".

On page 155, strike through lines 18 and 19.

On page 155, line 20, strike "(B)" and insert "(A)".

On page 155, line 22, strike "(C)" and insert "(B)".

On page 155, line 24, strike "90" and insert "300".

Beginning on page 156, line 22, strike through page 157, line 8.

Redesignate sections 430 through 435 as sections 429 through 434, respectively.

On page 159, lines 13 and 14, strike ", as amended by section 429 of this Act,".

On page 250, line 17, strike "432(2)" and insert "431(2)".

AMENDMENT NO. 1726

(Purpose: To provide for family fishermen)

At the appropriate place insert the following:

SEC. ____ . FAMILY FISHERMEN.

(a) DEFINITIONS.—Section 101 of title 11, United States Code, is amended—

(1) by inserting after paragraph (7) the following:

"(7A) 'commercial fishing operation' includes—

"(A) the catching or harvesting of fish, shrimp, lobsters, urchins, seaweed, shellfish, or other aquatic species or products;

"(B) for purposes of section 109 and chapter 12, aquaculture activities consisting of raising for market any species or product described in subparagraph (A); and

"(C) the transporting by vessel of a passenger for hire (as defined in section 2101 of title 46) who is engaged in recreational fishing;

"(7B) 'commercial fishing vessel' means a vessel used by a fisherman to carry out a commercial fishing operation;";

(2) by inserting after paragraph (19) the following:

"(19A) 'family fisherman' means—

"(A) an individual or individual and spouse engaged in a commercial fishing operation (including aquaculture for purposes of chapter 12)—

"(i) whose aggregate debts do not exceed \$1,500,000 and not less than 80 percent of whose aggregate noncontingent, liquidated debts (excluding a debt for the principal residence of such individual or such individual and spouse, unless such debt arises out of a commercial fishing operation), on the date the case is filed, arise out of a commercial fishing operation owned or operated by such individual or such individual and spouse; and

"(ii) who receive from such commercial fishing operation more than 50 percent of such individual's or such individual's and spouse's gross income for the taxable year preceding the taxable year in which the case concerning such individual or such individual and spouse was filed; or

"(B) a corporation or partnership—

"(i) in which more than 50 percent of the outstanding stock or equity is held by—

"(I) 1 family that conducts the commercial fishing operation; or

"(II) 1 family and the relatives of the members of such family, and such family or such relatives conduct the commercial fishing operation; and

"(ii) (I) more than 80 percent of the value of its assets consists of assets related to the commercial fishing operation;

"(II) its aggregate debts do not exceed \$1,500,000 and not less than 80 percent of its

aggregate noncontingent, liquidated debts (excluding a debt for 1 dwelling which is owned by such corporation or partnership and which a shareholder or partner maintains as a principal residence, unless such debt arises out of a commercial fishing operation), on the date the case is filed, arise out of a commercial fishing operation owned or operated by such corporation or such partnership; and

"(III) if such corporation issues stock, such stock is not publicly traded;"; and

(3) by inserting after paragraph (19A) the following:

"(19B) 'family fisherman with regular annual income' means a family fisherman whose annual income is sufficiently stable and regular to enable such family fisherman to make payments under a plan under chapter 12 of this title;";

(b) WHO MAY BE A DEBTOR.—Section 109(f) of title 11, United States Code, is amended by inserting "or family fisherman" after "family farmer".

(c) CHAPTER 12.—Chapter 12 of title 11, United States Code, is amended—

(1) in the chapter heading, by inserting "**OR FISHERMAN**" after "**FAMILY FARMER**";

(2) in section 1201, by adding at the end the following:

"(e)(1) Notwithstanding any other provision of law, for purposes of this subsection, a guarantor of a claim of a creditor under this section shall be treated in the same manner as a creditor with respect to the operation of a stay under this section.

"(2) For purposes of a claim that arises from the ownership or operation of a commercial fishing operation, a co-maker of a loan made by a creditor under this section shall be treated in the same manner as a creditor with respect to the operation of a stay under this section.";

(3) in section 1203, by inserting "or commercial fishing operation" after "farm";

(4) in section 1206, by striking "if the property is farmland or farm equipment" and inserting "if the property is farmland, farm equipment, or property of a commercial fishing operation (including a commercial fishing vessel)"; and

(5) by adding at the end the following:

"§ 1232. Additional provisions relating to family fishermen

"(a)(1) Notwithstanding any other provision of law, except as provided in subsection (c), with respect to any commercial fishing vessel of a family fisherman, the debts of that family fisherman shall be treated in the manner prescribed in paragraph (2).

"(2)(A) For purposes of this chapter, a claim for a lien described in subsection (b) for a commercial fishing vessel of a family fisherman that could, but for this subsection, be subject to a lien under otherwise applicable maritime law, shall be treated as an unsecured claim.

"(B) Subparagraph (A) applies to a claim for a lien resulting from a debt of a family fisherman incurred on or after the date of enactment of this chapter.

"(b) A lien described in this subsection is—

"(1) a maritime lien under subchapter III of chapter 313 of title 46 without regard to whether that lien is recorded under section 31343 of title 46; or

"(2) a lien under applicable State law (or the law of a political subdivision thereof).

"(c) Subsection (a) shall not apply to—

"(1) a claim made by a member of a crew or a seaman including a claim made for—

"(A) wages, maintenance, or cure; or

"(B) personal injury; or

"(2) a preferred ship mortgage that has been perfected under subchapter II of chapter 313 of title 46.

"(d) For purposes of this chapter, a mortgage described in subsection (c)(2) shall be treated as a secured claim."

(d) CLERICAL AMENDMENTS.—

(1) TABLE OF CHAPTERS.—In the table of chapters for title 11, United States Code, the item relating to chapter 12, is amended to read as follows:

"12. Adjustments of Debts of a Family Farmer or Family Fisherman with Regular Annual Income 1201".

(2) TABLE OF SECTIONS.—The table of sections for chapter 12 of title 11, United States Code, is amended by adding at the end the following new item:

"1232. Additional provisions relating to family fishermen."

(e) Nothing in this title is intended to change, affect, or amend the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801, et seq.).

AMENDMENT NO. 2654

(Purpose: To provide chapter 7 trustees with reasonable compensation for their work in managing the ability to pay test)

At the appropriate place, insert the following:

SEC. ____ . COMPENSATING TRUSTEES.

Title 11, United States Code, is amended—

(1) in section 104(b)(1) in the matter preceding subparagraph (A) by—

(A) striking "and 523(a)(2)(C)"; and

(B) inserting "523(a)(2)(C), and 1326(b)(3)" before "immediately";

(2) in section 326, by inserting at the end the following:

"(e) Notwithstanding any other provision of this section, if a trustee in a chapter 7 case commences a motion to dismiss or convert under section 707(b) and such motion is granted, the court shall allow reasonable compensation under section 330(a) of this title for the services and expenses of the trustee and the trustee's counsel in preparing and presenting such motion and any related appeals.";

(3) in section 1326(b)—

(A) in paragraph (1), by striking "and";

(B) in paragraph (2), by striking the period at the end and inserting "and"; and

(C) by adding at the end the following:

"(3) if a chapter 7 trustee has been allowed compensation under section 326(e) in a case converted to this chapter or in a case dismissed under section 707(b) in which the debtor in this case was a debtor—

"(A) the amount of such unpaid compensation which shall be paid monthly by prorating such amount over the remaining duration of the plan, but a monthly payment shall not exceed the greater of—

"(i) \$25; or

"(ii) the amount payable to unsecured nonpriority creditors as provided by the plan multiplied by 5 percent, and the result divided by the number of months in the plan; and

"(B) notwithstanding any other provision of this title—

"(i) such compensation is payable and may be collected by the trustee under this paragraph even if such amount has been discharged in a prior proceeding under this title; and

"(ii) such compensation is payable in a case under this chapter only to the extent permitted by this paragraph."

AMENDMENT NO. 1727

(Purpose: To provide for the nondischargeability of certain educational benefits and loans)

On page 53, insert between lines 18 and 19 the following:

SEC. 220. NONDISCHARGEABILITY OF CERTAIN EDUCATIONAL BENEFITS AND LOANS.

Section 523(a) of title 11, United States Code, is amended by striking paragraph (8) and inserting the following:

"(8) unless excepting such debt from discharge under this paragraph would impose an undue hardship on the debtor and the debtor's dependents, for—

"(A)(i) an educational benefit overpayment or loan made, insured, or guaranteed by a governmental unit, or made under any program funded in whole or in part by a governmental unit or nonprofit institution; or

"(ii) an obligation to repay funds received as an educational benefit, scholarship, or stipend; or

"(B) any other educational loan that is a qualified education loan, as that term is defined in section 221(e)(1) of the Internal Revenue Code of 1986, incurred by an individual debtor;"

AMENDMENT NO. 2514

(Purpose: To amend Title 11 of the United States Code)

Insert at the appropriate place:

Section 362(b)(18) of title 11, United States Code, is amended to read as follows:

(18) under subsection (a) of the creation or perfection of a statutory lien for an ad valorem property tax, or a special tax or special assessment on real property whether or not ad valorem, imposed by a governmental unit, if such tax or assessment comes due after the filing of the petition.

Mr. FEINGOLD. Mr. President, I thank the managers for offering and accepting the bipartisan amendment that would allow courts to waive the filing fee for chapter 7 filers who cannot afford to pay. This is similar to an amendment that Senator SPECTER and I successfully offered on the floor in the last Congress. I am certain we could have repeated that success on this bill, but I did not think it was necessary this year to have a rollcall vote since the House-passed bankruptcy bill includes a similar provision.

It is unbelievable to me that bankruptcy is the only Federal civil proceeding in which a poor person cannot file in forma pauperis. That means that in any other federal civil proceeding you can file a case without paying the filing fee if the court determines that you are unable to afford the fee, but in bankruptcy you either pay the filing fee or you are denied access to the system.

That doesn't make any sense. The bankruptcy system, is by definition designed to assist those who have fallen on hard times, but because there is no allowance for in forma pauperis filing, the system is unavailable to the poorest of the poor. This prohibition against debtors filing in forma pauperis is a clear obstacle to the poor gaining access to justice.

Currently the filing fee for consumer bankruptcy is \$175, and it may well be increased in this bill. That's roughly the weekly take home pay of an employee working a 40-hour week at the minimum wage. It is unreasonable and unrealistic to expect the indigent—people who barely get by from week to week, the very people who truly need the protection afforded by the bank-

ruptcy system the most—to save money to raise such a fee simply to enter the system.

Congress has already acknowledged that the bankruptcy system may need an in forma pauperis proceeding by enacting a three year pilot program in six judicial districts across the country. The Federal Judicial Center recently submitted a comprehensive report to Congress analyzing this pilot program in which it found that:

A fee waiver application was filed in only 3.4 percent of all chapter 7 cases, and the large majority of these waivers were granted. Indeed, the U.S. Trustee's Office filed objections to less than 1 percent of the applications. In other words, only those very few individuals who really needed the fee-waiver applied for it.

The fee-waiver program enhanced access to the bankruptcy system for indigent single women above and beyond any other group. We cannot strike another blow against single mothers and their children by denying them access to the bankruptcy system because they cannot even afford the filing fee.

The nature of the debt for those who filed for the fee-waiver differed from that of other debtors in that their debts related more to basic subsistence—education, health, utility services, and housing. Moreover, 63 percent of the housing-related debts of those who filed for the fee-waiver owed their debts to public housing authorities. Therefore, these indigent debtors were not filing bankruptcy to escape paying for their boats, or their fancy entertainment systems. They were filing bankruptcy merely to subsist.

Often times the bankruptcy system was the only thing that stood between these unfortunate people and homelessness.

There was only a minimal increase in the number of filings and there was no indication that debtors filed for chapter 7 rather than chapter 13 just to obtain the benefit of the fee-waiver program. Simply stated, the debtors did not abuse the system.

In sum, this amendment would build upon the strong foundation established in the pilot program and direct the Judicial Center to create a nation-wide in forma pauperis program for the bankruptcy system, thus, establishing some fairness in the bankruptcy filing process for the most financially strapped debtors.

We have made one modification in the amendment to make sure that in forma pauperis filing status is only available to truly indigent people, namely those with an annual income of below 125% of the poverty level. That is the same income qualification required for people to receive free legal assistance from the Legal Service Corporation. Obviously, we don't intend for the bankruptcy filing fee to be waived for people who aren't really poor. So I was happy to agree to this modification.

The expenditure of funds required by this amendment is clearly justified. We

made the decision long ago in this country that our judicial system would be open to everyone—those who can pay, and those who cannot—and we decided that as a nation, we would absorb the cost of allowing those who could not pay to receive the same access as those who could. If you are poor, and you cannot afford the fee to file for divorce, we absorb the cost. If someone does you wrong and you cannot afford the filing fee to sue, we absorb the cost. Likewise, if you are in such financial difficulty that you must file for bankruptcy, and you cannot afford the filing fee, now, because of this amendment, we must also absorb the cost.

In this bill, where we are giving such advantages to the well-heeled landlords and credit companies, I am pleased that we will take this small step to ensure that the poorest of the poor are not shut out of this very important part of our system of justice. Again, I thank the managers for agreeing to this amendment.

The PRESIDING OFFICER. The Chair recognizes the Senator from Connecticut.

Mr. DODD. Mr. President, if I can get the attention of the floor manager of this bill, I think what I am about to do is all right. I will call up three amendments and immediately ask for them to be laid aside, and then I will call up an amendment which I want to debate.

AMENDMENTS NOS. 2531, 2532, AND 2753

Mr. DODD. Mr. President, I call up amendments Nos. 2531, 2532, and 2753.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from Connecticut [Mr. DODD] proposes amendments numbered 2531, 2532, and 2753.

The amendments are as follows:

AMENDMENT NO. 2531

(Purpose: To protect certain education savings)

On page 83, between lines 4 and 5, insert the following:

SEC. 2 . PROTECTION OF EDUCATION SAVINGS.

(a) EXCLUSIONS.—Section 541 of title 11, United States Code, as amended by section 903, is amended—

(1) in subsection (b)—

(A) in paragraph (5), by striking "or" at the end;

(B) by redesignating paragraph (6) as paragraph (8); and

(C) by inserting after paragraph (5) the following:

"(6) funds placed in an education individual retirement account (as defined in section 530(b)(1) of the Internal Revenue Code of 1986) not later than 365 days before the date of filing of the petition, but—

"(A) only if the designated beneficiary of such account was a son, daughter, stepson, stepdaughter, grandchild, or step-grandchild of the debtor for the taxable year for which funds were placed in such account;

"(B) only to the extent that such funds—

"(i) are not pledged or promised to any entity in connection with any extension of credit; and

"(ii) are not excess contributions (as described in section 4973(e) of the Internal Revenue Code of 1986); and

"(C) in the case of funds placed in all such accounts having the same designated beneficiary not earlier than 720 days nor later

than 365 days before such date, only so much of such funds as does not exceed \$5,000;

"(7) funds used to purchase a tuition credit or certificate or contributed to an account in accordance with section 529(b)(1)(A) of the Internal Revenue Code of 1986 under a qualified State tuition program (as defined in section 529(b)(1) of such Code) not later than 365 days before the date of filing of the petition, but—

"(A) only if the designated beneficiary of the amounts paid or contributed to such tuition program was a son, daughter, stepson, step-daughter, grandchild, or step-grandchild of the debtor for the taxable year for which funds were paid or contributed;

"(B) with respect to the aggregate amount paid or contributed to such program having the same designated beneficiary, only so much of such amount as does not exceed the total contributions permitted under section 529(b)(7) of such Code with respect to such beneficiary, as adjusted beginning on the date of the filing of the petition by the annual increase or decrease (rounded to the nearest tenth of 1 percent) in the education expenditure category of the Consumer Price Index prepared by the Department of Labor; and

"(C) in the case of funds paid or contributed to such program having the same designated beneficiary not earlier than 720 days nor later than 365 days before such date, only so much of such funds as does not exceed \$5,000; or"; and

(2) by adding at the end the following:

"(f) In determining whether any of the relationships specified in paragraph (6)(A) or (7)(A) of subsection (b) exists, a legally adopted child of an individual (and a child who is a member of an individual's household, if placed with such individual by an authorized placement agency for legal adoption by such individual), or a foster child of an individual (if such child has as the child's principal place of abode the home of the debtor and is a member of the debtor's household) shall be treated as a child of such individual by blood."

(b) DEBTOR'S DUTIES.—Section 521 of title 11, United States Code, as amended by sections 105(d), 304(c)(1), 305(2), 315(b), and 316 of this Act, is amended by adding at the end the following:

"(k) In addition to meeting the requirements under subsection (a), a debtor shall file with the court a record of any interest that a debtor has in an education individual retirement account (as defined in section 530(b)(1) of the Internal Revenue Code of 1986) or under a qualified State tuition program (as defined in section 529(b)(1) of such Code)."

On page 7, line 15, strike "(ii)" and insert "(ii)(I)".

On page 7, between lines 21 and 22, insert the following:

"(II) The expenses referred to in subclause (I) shall include—

"(aa) taxes and mandatory withholdings from wages;

"(bb) health care;

"(cc) alimony, child, and spousal support payments;

"(dd) legal fees necessary for the debtor's case;

"(ee) child care and the care of elderly or disabled family members;

"(ff) reasonable insurance expenses and pension payments;

"(gg) religious and charitable contributions;

"(hh) educational expenses not to exceed \$10,000 per household;

"(ii) union dues;

"(jj) other expenses necessary for the operation of a business of the debtor or for the debtor's employment;

"(kk) utility expenses and home maintenance expenses for a debtor that owns a home;

"(ll) ownership costs for a motor vehicle, determined in accordance with Internal Revenue Service transportation standards, reduced by any payments on debts secured by the motor vehicle or vehicle lease payments made by the debtor;

"(mm) expenses for children's toys and recreation for children of the debtor;

"(nn) tax credits for earned income determined under section 32 of the Internal Revenue Code of 1986; and

"(oo) miscellaneous and emergency expenses.

On page 83, between lines 4 and 5, insert the following:

SEC. 225. TREATMENT OF TAX REFUNDS AND DOMESTIC SUPPORT OBLIGATIONS.

(a) PROPERTY OF THE ESTATE.—Section 541 of title 11, United States Code, is amended—

(1) in subsection (a)(5)(B) by inserting "except as provided under subsection (b)(7)," before "as a result"; and

(2) in subsection (b)—

(A) in paragraph (4), by striking "or" at the end;

(B) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(C) by inserting after paragraph (5) the following:

"(6) any—

"(A) refund of tax due to the debtor under subtitle A of the Internal Revenue Code of 1986 for any taxable year to the extent that the refund does not exceed the amount of an applicable earned income tax credit allowed under section 32 of such Code for such year; and

"(B) advance payment of an earned income tax credit under section 3507 of the Internal Revenue Code of 1986; or

"(7) the right of the debtor to receive alimony, support, or separate maintenance for the debtor or dependent of the debtor."

(b) PROTECTION OF EARNED INCOME TAX CREDIT AND SUPPORT PAYMENTS UNDER BANKRUPTCY REPAYMENT PLANS IN CHAPTER 12.—Section 1225(b)(2) of title 11, United States Code, as amended by section 218 of this Act, is amended—

(1) by inserting "(A)" before "For purposes";

(2) by striking "(A) for the maintenance" and inserting "(i) for the maintenance";

(3) by striking "(B) if the debtor" and inserting "(ii) if the debtor"; and

(4) by adding at the end the following:

"(B) In determining disposable income the court shall not consider amounts the debtor receives or is entitled to receive from—

"(i) any refund of tax due to the debtor under subtitle A of the Internal Revenue Code of 1986 for any taxable year to the extent that the refund does not exceed the amount of an applicable earned income tax credit allowed by section 32 of the Internal Revenue Code of 1986 for such year;

"(ii) any advance payment for an earned income tax credit described in clause (i); or

"(iii) child support, foster care, or disability payment for the care of a dependent child in accordance with applicable nonbankruptcy law."

(c) PROTECTION OF EARNED INCOME TAX CREDIT AND SUPPORT PAYMENTS UNDER BANKRUPTCY REPAYMENT PLANS IN CHAPTER 13.—Section 1325(b)(2) of title 11, United States Code, as amended by section 218 of this Act, is amended—

(1) by inserting "(A)" before "For purposes";

(2) by striking "(A) for the maintenance" and inserting "(i) for the maintenance";

(3) by striking "(B) if the debtor" and inserting "(ii) if the debtor"; and

(4) by adding at the end the following:

"(B) In determining disposable income the court shall not consider amounts the debtor receives or is entitled to receive from—

"(i) any refund of tax due to the debtor under subtitle A of the Internal Revenue Code of 1986 for any taxable year to the extent that the refund does not exceed the amount of an applicable earned income tax credit allowed by section 32 of the Internal Revenue Code of 1986 for such year;

"(ii) any advance payment for an earned income tax credit described in clause (i); or

"(iii) child support, foster care, or disability payment for the care of a dependent child in accordance with applicable nonbankruptcy law."

(d) EXEMPTIONS.—Section 522(d) of title 11, United States Code, as amended by section 224 of this Act, is amended in paragraph (10)—

(1) in subparagraph (C), by adding "or" after the semicolon;

(2) by striking subparagraph (D); and

(3) by striking "(E)" and inserting "(D)".

On page 92, line 5, strike "personal property" and insert "an item of personal property purchased for more than \$3,000".

On page 93, line 19, strike "property" and insert "an item of personal property purchased for more than \$3,000".

On page 97, line 10, strike "if" and insert "to the extent that".

On page 97, line 10, after "incurred" insert "to purchase that thing of value".

On page 98, line 1, strike "(27A)" and insert "(27B)".

On page 107, line 9, strike "and aggregating more than \$250" and insert "for \$400 or more per item or service".

On page 107, line 11, strike "90" and insert "70".

On page 107, line 13, after "dischargeable" insert the following: "if the creditor proves by a preponderance of the evidence at a hearing that the goods or services were not reasonably necessary for the maintenance or support of the debtor".

On page 107, line 15, strike "\$750" and insert "\$1,075".

On page 107, line 17, strike "70" and insert "60".

Beginning on page 109, strike line 21 and all that follows through page 111, line 15, and insert the following:

SEC. 314. HOUSEHOLD GOOD DEFINED.

Section 101 of title 11, United States Code, as amended by section 106(c) of this Act, is amended by inserting before paragraph (27B) the following:

"(27A) 'household goods'—

"(A) includes tangible personal property normally found in or around a residence; and

"(B) does not include motor vehicles used for transportation purposes";

On page 112, line 6, strike "(except that," and all that follows through "debts)" on line 13.

On page 113, between lines 3 and 4, insert the following:

(c) EXCEPTIONS TO DISCHARGE.—Section 523 of title 11, United States Code, is amended—

(1) in subsection (c), by inserting "(14A)," after "(6)," each place it appears; and

(2) in subsection (d), by striking "(a)(2)" and inserting "(a)(2) or (14A)".

On page 263, line 8, insert "as amended by section 322 of this Act," after "United States Code,".

On page 263, line 11, strike "(4)" and insert "(5)".

On page 263, line 12, strike "(5)" and insert "(6)".

On page 263, line 13, strike "(6)" and insert "(7)".

On page 263, line 14, strike "(4)" and insert "(5)".

On page 263, line 16, strike "(5)" and insert "(6)".

AMENDMENT NO. 2753

(Purpose: To amend the Truth in Lending Act to provide for enhanced information regarding credit card balance payment terms and conditions, and to provide for enhanced reporting of credit card solicitations to the Board of Governors of the Federal Reserve System and to Congress, and for other purposes)

At the appropriate place, insert the following:

SEC. ____ CONSUMER CREDIT.

(a) ENHANCED DISCLOSURES UNDER AN OPEN END CONSUMER CREDIT PLAN.—Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end the following:

“(11)(A) Repayment information that would apply to the outstanding balance of the consumer under the credit plan, including—

“(i) the required minimum monthly payment on that balance, represented as both a dollar figure and as a percentage of that balance;

“(ii) the number of months (rounded to the nearest month) that it would take to pay the entire amount of that balance, if the consumer pays only the required minimum monthly payments and if no further advances are made;

“(iii) the total cost to the consumer, including interest and principal payments, of paying that balance in full, if the consumer pays only the required minimum monthly payments and if no further advances are made; and

“(iv) the monthly payment amount that would be required for the consumer to eliminate the outstanding balance in 36 months if no further advances are made.

“(B)(i) Subject to clause (ii), in making the disclosures under subparagraph (A) the creditor shall apply the interest rate in effect on the date on which the disclosure is made until the date on which the balance would be paid in full.

“(ii) If the interest rate in effect on the date on which the disclosure is made is a temporary rate that will change under a contractual provision applying an index or formula for subsequent interest rate adjustment, the creditor shall apply the interest rate in effect on the date on which the disclosure is made for as long as that interest rate will apply under that contractual provision, and then apply an interest rate based on the index or formula in effect on the applicable billing date.”.

(b) CIVIL LIABILITY.—Section 130(a) of the Truth in Lending Act (15 U.S.C. 1640(a)) is amended, in the undesignated paragraph following paragraph (4), by striking the second sentence and inserting the following: “In connection with the disclosures referred to in subsections (a) and (b) of section 127, a creditor shall have a liability determined under paragraph (2) only for failing to comply with the requirements of section 125, 127(a), or paragraph (4), (5), (6), (7), (8), (9), (10), or (11) of section 127(b), or for failing to comply with disclosure requirements under State law for any term or item that the Board has determined to be substantially the same in meaning under section 111(a)(2) as any of the terms or items referred to in section 127(a), or paragraph (4), (5), (6), (7), (8), (9), (10), or (11) of section 127(b).”.

Mr. DODD. Mr. President, I ask unanimous consent that these three amendments be laid aside.

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

AMENDMENT NO. 2754

(Purpose: To amend the Truth in Lending Act with respect to extensions of credit to consumers under the age of 21)

Mr. DODD. Mr. President, I call up amendment No. 2754 and ask for its immediate consideration.

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

The legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD], for himself and Mr. KENNEDY, proposes an amendment numbered 2754.

Mr. DODD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ____ EXTENSIONS OF CREDIT TO UNDERAGE CONSUMERS.

(a) IN GENERAL.—Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following:

“(5) APPLICATIONS FROM UNDERAGE CONSUMERS.—

“(A) PROHIBITION ON ISSUANCE.—No credit card may be issued to, or open end credit plan established on behalf of, a consumer who has not attained the age of 21 unless the consumer has submitted a written application to the card issuer that meets the requirements of subparagraph (B).

“(B) APPLICATION REQUIREMENTS.—An application to open a credit card account by an individual who has not attained the age of 21 as of the date of submission of the application shall require—

“(i) the signature of the parent, legal guardian, or spouse of the consumer, or any other individual having a means to repay debts incurred by the consumer in connection with the account, indicating joint liability for debts incurred by the consumer in connection with the account before the consumer has attained the age of 21; or

“(ii) submission by the consumer of financial information indicating an independent means of repaying any obligation arising from the proposed extension of credit in connection with the account.”.

(b) REGULATORY AUTHORITY.—The Board of Governors of the Federal Reserve System may issue such rules or publish such model forms as it considers necessary to carry out section 127(c)(5) of the Truth in Lending Act, as amended by this section.

Mr. DODD. Mr. President, I say to my good friend from Iowa, I know he is concerned with the number of amendments and time. We have debated this amendment in the past. It will not be a new debate for our colleagues. I am more than happy to enter into an agreement, if he wants, to move the process along. I have three other amendments I have offered and laid aside which also can be dealt with quickly. I am more than prepared to enter into a time agreement when the manager wants to discuss that with me. I will be brief and explain what this amendment does and why it is an important one. I hope our colleagues will be willing to support it.

This amendment is very straightforward and just plain common sense and something most Americans have become familiar with already.

The amendment requires that when a credit card company issues a credit card to persons under the age of 21, the issuers of those credit cards obtain an application from that individual that does one of two things: One, either they have the signature of a parent, guardian, or other qualified individual willing to take financial responsibility for any debts that may be incurred; or, two, that the applicant provides information indicating the individual has independent means of repaying any credit card debt. One of those two things: Either have a guardian or some qualified person cosign to say they will assume the responsibility, or demonstrate the borrower has independent means of paying back their debts.

Why do I suggest this amendment is important and one we ought to do? It is becoming an alarming problem in the country. One of the most troubling developments in the hotly contested battle between the credit card issuers to sign up new customers has been the aggressive way in which these companies have targeted people under the age of 21, particularly college students.

Solicitations to this age group have become more intense for a variety of reasons. First of all, it is one of the few market segments in which there are always some new faces to go after. That certainly is understandable. Second, it is an age group in which brand loyalty can be established early on. Again, I understand that. In the words of one major credit card issuer, “We are in the relationship business. We want to build relationships early on.”

Recent press reports have reported that people hold on to their first credit cards for up to 15 years. That makes sense to me. I do not argue with that. That is good business judgment. It is a new crowd coming along, and a company knows they can develop loyalties early on, and they want to establish that relationship as early as they can for those individuals.

I do not fault the credit card companies for those arguments or those ideas from a business perspective. What does worry me is that this solicitation and signing people up without having some information which indicates these credit cards are going to be paid for is creating a very serious problem, including significant dropouts from colleges because of the huge debts these individuals are accumulating.

In fact, people under the age of 21 are such a hot target for credit card marketers that the upcoming Card Marketing Conference 98 is calling one of its key sessions “Targeting teens: You never forget your first card.”

Providing fair access to credit is something for which I have fought throughout my tenure in the Senate, and credit cards play a valuable role in pursuing the American dream. Some credit card issuers, however, have, in

my view, gone too far in their aggressive solicitations. They irresponsibly target the most vulnerable in our society and extend them large amounts of credit with absolutely no regard to whether or not there is a reasonable expectation of repayment.

On my first chart, I bring to my colleagues' attention a recent story reported in the Rochester Democrat and Chronicle in the State of New York. The article relates to the story of a 3-year-old child who recently received a platinum credit card with a credit card limit of \$5,000. The credit card issuers are also enticing college students.

In the Rochester News, a 3-year-old Rochester toddler was issued a platinum credit card after the mother jokingly returned an application sent to the child. The child's mother told the bank that the child's occupation was "preschooler" and left the income portion of the application a total blank. A few weeks later, the tot received a \$5,000 credit card limit.

This is how insane the process has become—filling out the application, listing your application as a preschooler, and showing no source of income, and you get \$5,000 worth of credit.

We know in this day and age of high technology that these companies certainly have the capacity of distinguishing—I hope—between a preschooler with no source of income and providing them with \$5,000 worth of credit.

Credit card issuers are also enticing colleges and universities to promote their products. Professor Robert Manning of Georgetown University told my staff recently that some colleges receive tens of thousands of dollars per year for exclusive marketing agreements. Other colleges receive as much as 1 percent of all student charges from the credit card issuer in return for marketing or affinity agreements. Even those colleges that do not enter such agreements are making money.

Robert Bugai, president of the College Marketing Intelligence, told the American Banker recently that colleges charge up to \$400 per day for each credit card company that sets up a table on their campuses. That can run into tens of thousands of dollars by the end of just one semester.

Last February, I went to the main campus of the University of Connecticut in my home State to meet with student leaders about this issue. Quite honestly, I was surprised at the amount of solicitations going on in the student union. Frankly, I also was surprised at the degree to which the students themselves were concerned about the constant barrage of offers they were receiving for credit cards.

The offers seemed very attractive. One student who was an intern in my office this summer received four solicitations in 2 weeks from credit card companies. One promised "eight cheap flights while you still have 18 weeks of vacation." Another promised a plat-

inum card with what appeared to be a low-interest rate until you read the fine print that it applied only to balance transfers, not to the account overall. Only one of the four, Discover card, offered a brochure about credit terms—and I commend them for it—but, in doing so, also offered a spring break sweepstakes to 18-year-olds.

In fact, the Chicago Tribune recently reported the average college freshman receives 50 solicitations during the first few months at college. The Tribune further reported college students get green-lighted—a green light, no yellow light, a green light—for a line of credit that can reach more than \$10,000 just on the strength of a signature and a student ID; \$10,000 worth of credit at the age of 18 with just your student ID and a signature.

Who do you think is going to pay those bills? The parents do. They get socked with it in the end. We have to have some restraint, some controls on this. We have a huge problem with the amount of debt that is being accumulated by children or being passed on to their parents without any requirements at all that they meet some basic minimum standards, either independent sources of income or a cosignature by someone who can demonstrate the ability to pay.

It is a serious public policy question about whether people in this age bracket can be presumed—and that is what they are doing—presumed to be able to make the sensible financial choices that are being forced upon them from this barrage of marketing.

While it is very difficult to get reliable information from the credit card issuers about their marketing practices to people under the age of 21, the statistics that are available are deeply troubling. Let me share some of them with you.

Let me put up chart No. 2, if I may, "Collegiate credit cards increasing." This article appeared just a few days ago in the Washington Post here in the Nation's Capital. Let me share what the Post talked about. I quote them:

Alarmed by the trend, hundreds of colleges in recent years have forbidden credit card companies to solicit on their campuses, and Virginia lawmakers are thinking of imposing such a ban at all the State's colleges. Nine other States are considering similar measures.

The Post goes on to report that:

An estimated 430 colleges have banned the marketing of credit cards on their campuses.

The statistics on college credit card debt are truly frightening.

Nellie Mae, a major student loan provider in the New England States, conducted a recent survey of students who had applied for student loans. It termed the results "alarming." The survey found that 27 percent of their undergraduate student applicants had four or more credit cards. It found that 14 percent had credit card balances between \$3,000 and \$7,000, while another 10 percent had balances in excess of \$10,000.

Let me repeat those statistics because they are truly alarming. Twenty-seven percent of college students already had four credit cards; 14 percent had credit card balances between \$3,000 and \$7,000; and 10 percent had credit card balances that were greater than \$7,000. That is 24 percent; that is one out of every four who have debt somewhere between \$3,000 and above \$7,000—one out of every four college students with that kind of debt while they are trying to pay off student loans and other matters. This is incredible in terms of the amount of obligations, while still virtually children in many cases.

This figure of 24 percent with credit card balances in excess of \$3,000 is more than double the number from last year when I stood on this floor and offered a similar amendment. The trend lines are alarming.

My hope with this amendment, which does not ban at all the solicitation among college students—if colleges want to allow them to go and solicit, they can—but the amendment merely says two things: Either have a guardian or a qualified person cosign, or show you have the independent means of paying the credit card debt you incur.

That is something you would think the credit card companies would want to do themselves. Why do they not want this information? Why are they willing to extend up to \$10,000 worth of debt merely on a student signature and an ID? It seems to me that is the height of irresponsibility. Then they come around and complain that there is too much debt in the country and they want to tighten up the bankruptcy laws.

Why not tighten up your own process? Why not ask for some basic information of these young people before watching them build up the kind of debt they may spend years trying to pay back? It seems to me that if they are unwilling to impose some restraints on who can incur this kind of debt, we have an obligation to set some minimum standards.

Again, it does not ban them from going out to solicit young people to become credit card holders. If the young person can have their parents or a guardian cosign, or if they can demonstrate independent means of payment, no problem, they get their credit card. But just on a student ID, and just on their signature, I think this body ought to be on record as saying that is what is creating some of the real debt problems in the country. We ought to put a stop to it.

I mentioned the numbers. Moreover, while there is still evidence that student debt is skyrocketing, some surveys by credit card issuers themselves show that this same group of consumers is woefully uninformed about basic credit card terms and issues.

A 1993 American Express/Consumer Federation of America study—done only about 5 or 6 years ago—found that

only 22 percent of the more than 2,000 college students surveyed knew that the annual percentage rate is the best indicator of the true cost of a loan. Only 30 percent of those surveyed knew that each bank sets the interest rate on their credit cards, so it is possible to shop around for the best rate. Only 30 percent knew that the interest rate was charged on new purchases if you carried a balance over from the previous month.

Some college administrators, bucking the trend to use credit card issuers as a source of income, have become so concerned that they have banned credit card companies from their campuses, as I mentioned, and even have gone so far as to ban credit card advertisements from the campus bookstores.

Roger Witherspoon, the vice president of student development at John Jay College of Criminal Justice in New York, banned credit card solicitors, saying indebtedness was causing students to drop out. I quote him:

Middle class parents can bail out their kids when this happens, but lower income parents can't.

In fact, I argue with the statement. I do not think middle-income parents can either. Only the most affluent parents would be able to bail out their children from the kind of debts many of them are incurring.

But he goes on to say:

Kids only find out later how much it messes up their lives [when this debt occurs]. If I may, this is chart No. 3, which is from the Consumer Federation of America. This came out last June. The Consumer Federation of America says:

The average college student who does not pay off his or her balance every month now has an average debt of over \$2,000.

The average college student who does not pay off their balance every month has a credit card debt of over \$2,000.

One-fifth—

One out of every five—

of these students have debts of more than \$10,000. A number of colleges are now citing credit card debt as the most significant cause of college disenrollment.

Here we stand, day after day, week after week, talking about how important it is to get young people into higher education and to keep them there. This ought to be a matter of bipartisan concern.

I know the credit card companies are working overtime on this. But if one of the major causes of disenrollment in higher education is credit card debt—where one out of every five students in this country has debt in excess of \$10,000, and the average student who does not pay their monthly balance has a \$2,000 debt—then something is drastically wrong that cries out for some solution.

Again, I think banning credit card companies from college campuses, that ought not to be our decision; leave that up to the college campuses. Not allowing them to put their advertisements in bookstores, that ought to be the college's decision, not the Congress'.

But I do not think it is too much to say that we ought to require, as part of a bankruptcy bill, when we are trying to reduce the amount of bankruptcy filings in this country, that you either have to have someone who will cosign with you, if you are under the age of 18, or that you have an independent demonstration of the ability to pay.

I see my good friend from Utah has arrived. We now know that one of the most significant reasons of disenrollment in colleges is credit card debt. My colleague from Utah, who cares so much about higher education, ought to be deeply alarmed. The trend lines are dreadful. It is just dreadful what is occurring. Unless we do something to try to put some restraints on this, we are going to have this problem continue to mount.

As I said earlier, this amendment does one of two things: If you are under 21, have a guardian, a parent, a qualified person cosign, or demonstrate you can pay, and then you get your credit card. But to say you get a credit card with a student ID and your signature alone, and to be able to mount up this kind of debt, crippling these people from ever being able to get out from underneath their obligations, I think is outrageous.

The amendment I am proposing does not take any draconian action against the credit card industry. I agree with those who argue that there are many millions of people under the age of 21, who hold full-time jobs, who are as deserving of credit cards as anyone over the age of 21. I also agree that students should continue to have access to credit. They should not try to prohibit the marketing for making credit cards available to these people.

I also recognize that the period of time from 18 to 21 is an age of transition from adolescence to adulthood. As we do in so many other places in the Federal law, some extra care is needed to make sure that mistakes made from youthful inexperience do not haunt these people for the rest of their lives. All my amendment does is require that a credit card issuer, prior to granting credit, obtain one of two things from the applicant under the age of 21: Either they get a signature from a parent, a guardian, a qualified individual, or obtain information that demonstrates that that person between the ages of 18 and 21 has the capability of paying it back.

This is a vulnerable period. This is an exciting time in their lives. For many, it is the first time they are away from home. They are living on their own, independent. All of a sudden, as we know, you get 50 credit card solicitations in the space of one semester; in the case of the intern in my office, offering college sweepstakes, springs breaks, all sorts of enticements. You sign up. Before you know it, you have incurred \$2,000, \$3,000, \$4,000, \$6,000 worth of debt. You are 18 or 19 years of age. Then they come after you to pay. They don't give you a break and say:

We will wait until you get through college. We will wait until you are 25 or 30 to pay it back. They want their money right away. They want to get it, immediately, if they can.

What happens, as we now find out, is one of the reasons for disenrollment in college—for one out of five students, \$10,000 worth of debt by the time they are 19 or 20 years of age. By the way, on \$10,000, the way the annual rates go and so forth, that probably means something like \$30,000 or \$40,000 because they can't pay it off all at once. By the time they get out from underneath this rock, it could end up being a fortune for them as they start out their lives with dreams and aspirations and hopes.

Again, I don't object to the credit card companies soliciting, advertising, if that is what they want to do and want to have them on board. But why do you allow an 18-year-old to get this kind of a debt with a student ID and a signature? You don't let that happen with older people. You demand some sort of information about their ability to pay. Why do you say to an 18-year-old that you can be treated so differently than someone who is 25 or 30, where they need demonstrations of ability to pay? Why shouldn't we say that if you are going to solicit an 18-year-old, at least show that they can pay it back. They may not be able to, but at least require that or have a guardian or an adult sign on.

Federal law already says people under the age of 21 shouldn't drink alcohol. We made that statement. I know my colleague from Utah was a strong supporter of that. We don't allow you to drink anymore on college campuses unless you are 21 or older because we were worried about them. We were worried what would happen to them. Isn't this a problem as well, this kind of debt they can incur?

The Tax Code makes the presumption that if someone is a full-time student under the age of 23, they are financially dependent on their parents or guardians. The Tax Code makes that presumption. Is it so much to ask that credit card issuers find out if someone under the age of 21 is financially capable of paying back the debt or that their parents are willing to assume the financial responsibility or someone else? Again, I know there are a lot of young people who are out working full-time jobs and going to school simultaneously. This isn't a big burden—they need to have that credit card—to say to them, look, just demonstrate, through a W-2 form or something, that you can pay back or you have the ability to pay back. That is not a lot to ask. Believe me, the credit card companies can do it on the Internet. They can do it in a matter of a nanosecond if they want to.

Why don't they want to? What is the hesitation? Don't tell me it is the bureaucracy. It is not the bureaucracy. They require it of adults who are older than that. They don't give platinum credit cards out to people who are not

in college without getting some information about their ability to pay. Why is it in this age group that they are willing to give it to you on a signature and a student ID? I think we all know the answer why. It is outrageous. It is getting worse all the time. I mentioned to you the numbers have almost doubled in a year in terms of the amount of debt being held. Last year, when I offered the amendment, it was \$3,000. Now it is at almost \$7,000 worth of debt they are incurring.

I hope our colleagues will be willing to support this modest amendment. It is not a great deal to ask. As I mentioned, 430 colleges have banned credit cards from soliciting on their campuses. They know what the problem is. When we have the president of one of the major criminal justice schools in the country talk about what a drastic problem this is having on enrollment, these are serious people. They are not antiredit card. They are not antibusiness. They are not against young people having credit cards. They see what is happening on their campuses. We ought to pay attention to them and listen to them. To ignore them or to say it doesn't make any difference would be an outrage.

How can we pass a bankruptcy bill, as we try and cut down on the number of bankruptcies, and allow this situation to persist where one out of every five college students has \$10,000 of credit card debt? How can we allow that to persist without setting some minimum standards that these people have to meet before they can incur that kind of debt? I suspect the credit card companies will be probably lax in what minimum standards they might even permit, but at least it might put the brakes on a little bit, just a little bit.

We have also received some strong endorsements of this amendment: the American Federation of State County Municipal Employees; the Communication Workers of America, International Brotherhood of Boilermakers, Blacksmiths; International Brotherhood of Teamsters; the Union of Needletrades, Industrial & Textile Employees; the United Automobile, Aerospace and Agricultural Implement Workers; United Food & Commercial Workers International, representing millions of working families.

Why do the unions care about a credit card bill? Because these are the parents of these kids. That is why they care about it. This isn't a union issue. These are the hard-working parents who are working two and three and four jobs to send their kids to college. They turn around and some credit card company mounts up a \$10,000 debt on their back. Their kids have to drop out, after they have worked 20 or 30 years, saving to put their families through school, understanding the value of a higher education. Now the credit card companies say, no, that is too much to ask of us. You are asking way too much, that we require an 18-year-old to have a cosigner of the credit card ap-

plication or to show that they have the means of paying back the debt. That is why the millions who are represented by these unions have offered such strong support of this legislation.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD at this juncture.

There being no objection, the letter was ordered to be printed in the RECORD, AS FOLLOWS:

NOVEMBER 8, 1999.

DEAR SENATORS KENNEDY AND DODD: We support your amendment to the bankruptcy bill (S. 625), that would prohibit credit card issuers from recklessly extending credit to young people who do not have adequate means to repay their debts. Predatory lending by card issuers is one of the most significant reasons why the number of bankruptcies among those under age 25 has grown by 50 percent since 1991.

This amendment would prohibit the issuance of credit cards to persons under age 21, unless a parent, spouse, guardian or other individual acts as co-signer, or the minor can demonstrate an independent source of income sufficient to repay. The amendment would not limit the extension of credit to the millions of working young Americans who have an adequate income and are as deserving of credit as anyone over the age of 21.

The serious problem of predatory lending by credit card issuers to young people has been well-documented. Credit card issuers aggressively target young people, especially college students. It is nearly impossible for students, including those in high school, to avoid credit card pitches. Students now receive cards at a younger age, with 81 percent of students who have at least one card having received it before college or during their freshman year.

The level of revolving debt among young people is rising to alarming levels, with sometimes tragic consequences. Family tensions arise as parents attempt to pay off these obligations. Poor credit ratings hinder young people in the job and real estate markets. Students are forced to drop out of school to pay off their credit card debt.

Credit card issuers are well aware that most young people lack basic skills in personal finance. A recent survey (1997) of the financial literacy levels of high school seniors showed that only 10.2% scored a "C" or better and that students who use credit cards know no more about them than students who don't.

This amendment is consistent with the opinion of the American public. An April, 1999 poll by the Consumer Federation of America/Opinion Research Corporation International found overwhelming support at all age groups for the terms proposed by this amendment. We join them in supporting it.

Thank you for your leadership on this important issue.

American Federation of State, County & Municipal Employees (AFCME); Communication Workers of America (CWA); International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers & Helpers; International Brotherhood of Teamsters; Union of Needletrades, Industrial & Textile Employees (UNITE); United Automobile, Aerospace and Agricultural Implement Workers of America (UAW); United Food & Commercial Workers International Union (UFCW); United Steelworkers of America (USA).

Mr. DODD. I hope we can get a strong vote on this amendment. This shouldn't take much time. It is very

little to ask. The credit card companies are the ones who have asked for this bill on bankruptcy reform. I am sympathetic to the bill because I do think there are far too many bankruptcies in the country. If we are to try to reduce the number of bankruptcies, we have to reduce the rationale or the reason why people are going to the bankruptcy courts in the first place. These are not all evil people. These are not all scam artists who are trying to game the system. The overwhelming majority of people who go to a bankruptcy court have gotten in way over their heads. You can say they have been irresponsible. That may be the case.

But I will tell you, for an awful lot of families, they have kids in college and those adolescent kids became irresponsible. I know of very few who don't get irresponsible in their adolescent years. The danger today is that they can get deeply in trouble. It isn't just a college prank that may get them in trouble. Now you have major credit card companies dumping 50 solicitations into their mailboxes in their dormitories in the first semester in college. With a student I.D. and a signature, they get themselves \$10,000 into trouble. Requiring these companies to at least get some basic information may slow down this process. It will do a lot to reduce the volume of bankruptcies in this country, to reduce the ability of an 18- or 19-year-old, with no independent means of paying back their debts, from getting these cards in the first place, and saving these families the anguish and heartache and the dashed dreams that a young college student has when they go off for the first time. Many of them, by the way, are the first people in their families ever to go to college. Think how the families feel—the excitement, the thrill of a young person going off to college, from a blue collar working family in this country who never had that opportunity. All of a sudden they get a deluge of platinum credit cards flooding their mailboxes, the kids sign up, and the dreams of a family go down the drain in a matter of weeks.

This ought not to be a Democrat or Republican issue, conservative or liberal issue. This is a commonsense issue. This is basic common sense, which says to these companies that, with 18- to 21-year-olds, there has to be some cosigner, or some demonstration of an independent means to pay back. If you turn down this amendment and you turn around and say we ought to stop these bankruptcies, then you make it harder for these families to get out of these obligations and straighten out their lives. I know an awful lot of good people who have gotten themselves behind the eight ball financially; they are not evil, bad people. Because they get into a little trouble, particularly at 18 or 19—and one out of five of them are \$10,000 in debt—doesn't mean they ought not to have an opportunity to straighten things out. The best way is not to get into trouble in the first

place. The way not to get into trouble in the first place is to put some governor—you know how we do with automobiles with young people, where the car can't go more than 60 miles an hour, because we know there is a danger of a young person going too fast. Why not put a governor here on the credit card companies and slow them down. They can make their solicitations, send the solicitations in there, but require that these young people have a cosigner or a demonstration of an independent means to pay. If they can't do that, then you move on to someone else who can. But don't sign up a young person and put them and their family into harm's way and pass a bankruptcy bill that doesn't allow them to take the bankruptcy act when those debts mount up.

So I hope that our colleagues will support this amendment. This will be a good way for us to build strong bipartisan support for this bill.

With that, I yield the floor.

The PRESIDING OFFICER. The chair recognizes the Senator from Utah.

Mr. HATCH. Mr. President, I have to rise in opposition to the amendment offered by the distinguished Senator from Connecticut, Mr. DODD. It would require young adults under the age of 21 to obtain parental consent or demonstrate an "independent means of repaying" in order to get a credit card. This amendment also caps the amount of credit a young adult can get to \$1,500.

Mr. President, I believe this amendment is well-intentioned. However, if adopted, it would unfairly put young adults between the ages of 18 and 21 at a disadvantage by putting serious obstacles in their way, or, in some cases, bar them from obtaining credit cards altogether. Young adults today, whether they are serving in our Nation's military, or going to college, or trying to support a young family, do not need these hurdles placed in their path. This amendment would have an adverse effect on temporarily unemployed adults over the age of 18 who are independent of their parents, the twenty-year-old single mother, the twenty-year-old discharged from the military service, or a twenty-year-old worker between jobs—often the very person most needing the extension of credit.

I understand how difficult times can be for young adults. When I was 16 years of age, I was a skilled building tradesman. I knew a trade. I went through a formal apprenticeship and became a journeyman. I was proud of it. I was capable of supporting my family at that time. I worked as a janitor to put myself through college. I believe it is an insult to young adults to put in doubt their ability to get credit.

In addition, this amendment does not appear to be well thought out. For example, it makes absolutely no provision for young adults who may be estranged from their parents or whose parents or guardians may be deceased.

It is also unclear what new burdens will be placed on lenders to verify the authenticity of a parent's or guardian's signature. I also can't resist pointing out that many of the very same folks who oppose parental consent for abortion are in favor of parental consent for getting a credit card. That seems a little odd to me.

I can appreciate that there have been some instances when young adults have been extended credit beyond their ability to repay. But it does not strike me as a reasoned public policy, in an effort to tackle the occasional abuse, to discriminate against the many honest, hard-working, decent young people between the ages of 18 and 21 who rely on credit to make their lives a little bit more livable, or even sustainable.

I also must point out that individuals under age 18 cannot enter into binding contracts, and therefore any credit inadvertently extended to them is unenforceable.

The amendment would undermine a fundamental purpose of bankruptcy reform: to make individuals take more responsibility for their personal finances. I believe that the vast majority of young adults between the ages of 18 and 21 are responsible citizens, and they do not need the big Government to tell them what they can or cannot do in this area. I oppose treating adults as if they are children; therefore, I have to oppose this amendment.

Let me make a correction. This amendment does not place a cap on the amount of credit a minor can get. I misspoke and I confused it with an amendment filed that was identical to this, only it does have the cap. So I will make that clear and make that correction.

Mr. DODD. Will my colleague yield for another correction?

Mr. HATCH. Yes.

Mr. DODD. It says parents, guardians, or any other qualified person can cosign. It is not limited to parents. If the parents were deceased or the guardians were deceased, a qualified person could cosign. So we allow for a broader range of options here.

Mr. HATCH. I thank the Senator. I will certainly make that correction.

I still believe we ought to treat them as young adults. We ought to recognize that many people who really qualify for credit cards in these age groups ought to be able to get them with or without anybody else's consent. Many of them live up to the obligations that they incur; in fact, most of them do. I don't think we should, as a public policy matter, make this particular change that my dear friend from Connecticut has suggested. We are sending these young men and women over 18 years of age to war. They can vote at 18. They can do almost anything. Now we want to take away their right to have a credit card. I think that is bad public policy. I hope our colleagues will defeat this amendment when it comes up for a vote. With that, I believe we are ready to recess.

Mr. DODD. Mr. President, I just have one minute in response. As my friend from Utah knows, shortly, we have an amendment that we are going to offer together on this bill. I am sorry we don't agree on this. As I mentioned earlier, we do set some restrictions. We can send men and women to war at age 18, but we don't allow them to drink; we set a standard of 21. We did so because of the dangers that we decided alcohol posed to young people. The Tax Code says there is a rebuttable presumption that at 23-year-old college student has an obligation that shifts to parents.

All I am requiring here is that the credit card companies, when they solicit an 18 or 19 year old, require that they show they have the independent means of paying for it or that they have a guardian or a qualified person who will cosign. The same thing would be required of someone else. One out of five students has \$10,000 worth of financial debt and obligation. We are being told now one of the single largest reasons for disenrollment in higher education is because of this mounting—and it has doubled in the last two years—amount of credit card debt among 18-, 19-, and 20-year-olds.

It ought not to be a great deal to ask they meet these basic, simple requirements. They can solicit; they can collect. If they can sign them up, God bless them, go to it. However, for a student ID and a signature to get \$10,000 worth of debt for one out of five college students—and the average student has \$2,000 worth of debt and was not paying the monthly payments—is too much for the families to be burdened with.

I ask unanimous consent a letter from the Consumer Federation of America, the Consumers Union, the National Consumer Law Center, the U.S. Public Interest Research Group, and the U.S. Student Association, all of which support this amendment, be printed in the RECORD.

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

NOVEMBER 8, 1999.

RE: Support for Dodd/Kennedy Amendment #2754 to Bankruptcy Bill

DEAR SENATOR, The undersigned organizations strongly support this amendment to the bankruptcy bill regarding the extension of credit to young Americans. This common sense proposal would forbid banks and other credit card issuers from granting credit to any person under 21 years-of-age, without the signature of a parent or guardian or proof of an independent means of repaying the debt incurred.

This amendment would not result in denials to credit-worthy young people, but it would protect financially unsophisticated young consumers from being enticed into a financial trap. A recent study by the Consumer Federation of America found that previous research has underestimated the extent of credit card debt by college students, as well as the social impact of this debt on students. The study documents the consequences of high levels of indebtedness for many students, including dropping out of college, difficulty finding good jobs, and in

particularly tragic circumstances, extreme psychological stress and suicide.

Minors are increasingly targeted in credit card marketing campaigns. Direct solicitation of college students has intensified significantly in the past few years as high profitability has encouraged card issuers to take on riskier customers. Cards are available to almost any student with no income, no credit history and no parental signature required. Issuers know that young customers are often "brand loyal" to their first card for many years. They also know that many parents will pay off excessive credit card debt accumulated by their children, even though they are under no legal obligation to do so.

As a result, approximately 70 percent of undergraduates at four-year colleges possess at least one credit card. Moreover, students are obtaining their first credit card at a young age. Accordingly to the non-profit student loan provider Nellie Mae, 66 percent of college students with at least one card received their first card before college or during their freshman in 1996. By 1998, 81 percent had received their first card by the end of their freshman year.

Student credit card debt is larger than previously estimated. The Consumer Federation of America study found that college students who do not pay off their balances every month have an average debt of more than \$2,000, with one-fifth of these students carrying debts of more than \$10,000. Additional credit card debt is often "refinanced" with student loans or with private debt consolidation loans. At some schools, college loan debt averages \$20,000 per graduating senior.

More than one quarter of all students reported paying late on a credit card at least once in the last two years, according to a 1998 survey by the U.S. Public Interest Research Group. One-quarter of students questioned in the survey also reported using a cash advance to pay their debts. Poor credit records and credit card defaults have lasting consequences, including the classification of the student as a high risk/high rate borrower and decreased access to rental housing, car loans and home mortgage loans.

Many colleges and universities not only permit aggressive credit card marketing on campus; they actually benefit financially from this marketing. Credit card issuers pay institutions for sponsorship of school programs, for support of student activities, for rental of on-campus solicitation tables, and for exclusive marketing agreements, such as college "affinity" credit cards.

Card issuers are well aware that high school and college students don't have basic financial skills. A 1993 survey of college juniors and seniors by the Consumer Federation of America and American Express found:

Just 22 percent knew that the APR was the best indicator of the cost of a loan;

Just 30 percent knew that interest rates on credit cards are set by the issuing bank, not Visa, MasterCard of the government;

Just 30 percent knew that the grace period was not available when a credit card balance is carried from month-to-month.

The American people strongly support restricting aggressive lending practices by credit card issuers. A national poll conducted for the Consumer Federation of America in April 1999 by Opinion Research Corporation found that 80 percent of those surveyed supported restrictions on the extension of credit cards to people under age 21.

Without this reasonable amendment, direct solicitation of college and high school students without the ability to repay will continue unabated. For more information, contact Travis Plunkett at (202) 387-6121.

Sincerely,

Travis B. Plunkett, Consumer Federation of America; Frank Torres, Con-

sumers Union; Gary Klein, National Consumer Law Center; Ed Mierzewski, U.S. Public Interest Research Group; Kendra Fox-Davis, U.S. Student Association.

Mr. HATCH. I ask unanimous consent to set the Dodd amendment aside.

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

Mr. HATCH. I ask unanimous consent I be given an extra minute and a half.

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

AMENDMENT NO. 2536

(Purpose: To protect certain education savings)

Mr. HATCH. Mr. President, I ask unanimous consent to call up amendment No. 2536, a Hatch-Dodd-Gregg amendment relating to the protection of educational savings accounts.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Utah [Mr. HATCH], for himself and Mr. DODD and Mr. GREGG, proposes an amendment numbered 2536.

Mr. HATCH. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 83, between lines 4 and 5, insert the following:

SEC. 2. PROTECTION OF EDUCATION SAVINGS.

(a) EXCLUSIONS.—Section 541 of title 11, United States Code, as amended by section 903, is amended—

(1) in subsection (b)—

(A) in paragraph (5), by striking "or" at the end;

(B) by redesignating paragraph (6) as paragraph (8); and

(C) by inserting after paragraph (5) the following:

"(6) funds placed in an education individual retirement account (as defined in section 530(b)(1) of the Internal Revenue Code of 1986) not later than 365 days before the date of filing of the petition, but—

"(A) only if the designated beneficiary of such account was a son, daughter, stepson, stepdaughter, grandchild, or step-grandchild of the debtor for the taxable year for which funds were placed in such account;

"(B) only to the extent that such funds—

"(i) are not pledged or promised to any entity in connection with any extension of credit; and

"(ii) are not excess contributions (as described in section 4973(e) of the Internal Revenue Code of 1986); and

"(C) in the case of funds placed in all such accounts having the same designated beneficiary not earlier than 720 days nor later than 365 days before such date, only so much of such funds as does not exceed \$5,000;

"(7) funds used to purchase a tuition credit or certificate or contributed to an account in accordance with section 529(b)(1)(A) of the Internal Revenue Code of 1986 under a qualified State tuition program (as defined in section 529(b)(1) of such Code) not later than 365 days before the date of filing of the petition, but—

"(A) only if the designated beneficiary of the amounts paid or contributed to such tuition program was a son, daughter, stepson, stepdaughter, grandchild, or step-grandchild of the debtor for the taxable year for which funds were paid or contributed;

"(B) with respect to the aggregate amount paid or contributed to such program having the same designated beneficiary, only so much of such amount as does not exceed the total contributions permitted under section 529(b)(7) of such Code with respect to such beneficiary, as adjusted beginning on the date of the filing of the petition by the annual increase or decrease (rounded to the nearest tenth of 1 percent) in the education expenditure category of the Consumer Price Index prepared by the Department of Labor; and

"(C) in the case of funds paid or contributed to such program having the same designated beneficiary not earlier than 720 days nor later than 365 days before such date, only so much of such funds as does not exceed \$5,000; or"; and

(2) by adding at the end the following:

"(f) In determining whether any of the relationships specified in paragraph (6)(A) or (7)(A) of subsection (b) exists, a legally adopted child of an individual (and a child who is a member of an individual's household, if placed with such individual by an authorized placement agency for legal adoption by such individual), or a foster child of an individual (if such child has as the child's principal place of abode the home of the debtor and is a member of the debtor's household) shall be treated as a child of such individual by blood."

(b) DEBTOR'S DUTIES.—Section 521 of title 11, United States Code, as amended by sections 105(d), 304(c)(1), 305(2), 315(b), and 316 of this Act, is amended by adding at the end the following:

"(k) In addition to meeting the requirements under subsection (a), a debtor shall file with the court a record of any interest that a debtor has in an education individual retirement account (as defined in section 530(b)(1) of the Internal Revenue Code of 1986) or under a qualified State tuition program (as defined in section 529(b)(1) of such Code)."

Mr. HATCH. Mr. President, I thank Senator DODD for his efforts and cooperation in working on this important amendment.

I am pleased to offer along with Senators DODD and GREGG, an amendment to S. 625, the Bankruptcy Reform Act of 1999, that will protect education IRAs and qualified State tuition savings programs in bankruptcy. Education IRAs and qualified State tuition savings programs permit parents and grandparents to contribute funds for the tuition and other higher education expenses of their children and grandchildren. Under current bankruptcy law, creditors may access such accounts to satisfy debts owed by parents and grandparents.

The amendment I offer today balances the interest of encouraging families to save for college, with the interest of preventing the potential abuse of transferring funds into education savings accounts prior to an anticipated bankruptcy. Specifically, the amendment provides that contributions to education savings accounts made during the year immediately prior to the bankruptcy filing are not protected in bankruptcy and may be accessed by creditors; contributions up to \$5,000 per beneficiary made in the second year prior to filing, however, are protected, as are all contributions made more than 2 years prior to the bankruptcy

filing. To combat potential abuse, debtors must disclose their full interest in such accounts in the statement of financial affairs filed with the bankruptcy court. With respect to education IRAs, there is no limit on the amount that may be excluded from the bankruptcy estate, though the size of education IRAs are effectively limited by the \$500 annual contribution limit. With respect to qualified State tuition savings programs, the excluded amount is the full, State-established amount deemed necessary to provide for the qualified education expenses of a beneficiary.

College savings accounts encourage families to save for college, thereby increasing access to higher education. In my home State of Utah, 775 children, with account balances nearing \$1.2 million, are beneficiaries of such accounts. Nationwide, over one million children benefit from such accounts. Bona fide contributions to such college savings accounts, which are made for the benefit of children, should be beyond the reach of creditors. The ability to use dedicated funds to pay the educational costs of current and future college students should not be jeopardized by a bankruptcy of their parents or grandparents. The amendment I offer today prevents bona fide educational accounts of children from being accessed by their parents' or grandparents' creditors, while also protecting this exclusion from being abused as a means of sheltering assets from the bankruptcy estate.

I urge your support of this amendment.

Mr. DODD. I ask unanimous consent I be able to speak for up to 2 minutes.

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

Mr. DODD. I know this will be somewhat confusing to people watching the debate over the last 15 or 20 minutes, but this is an amendment offered by my distinguished friend and colleague from Utah of which I am a cosponsor. This is a very good amendment. We hope our colleagues will support it.

Many parents have put aside money for college education in special accounts. This ought not to be the subject of first attack when creditors come after family income.

I commend my colleague from Utah for trying to preserve and protect these resources which working families spend years trying to accumulate, and then get behind the 8 ball for problems that may not be of their own making, and all of a sudden the resources are subject to attack. This is a good amendment that will strengthen working families' ability to educate their children. I commend my colleague from Utah for offering it. I am pleased to be a cosponsor of it.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. I ask unanimous consent, notwithstanding the order for recess, I be permitted to speak for 2 minutes as in morning business.

Mr. FEINGOLD. Mr. President, I ask unanimous consent, as part of the request of the Senator from Missouri, I be allowed to speak for up to 12 minutes. At the conclusion of the 12 minutes, I will call up an amendment.

Mrs. LINCOLN. I ask unanimous consent to be able to address the Senate as in morning business for 7 minutes.

The PRESIDING OFFICER. The problem is, the previous order says 12:30 so we can attend policy conferences. That runs me past the time for making decisions as a part of that conference.

Is there a way to reduce the time so we can complete statements by 12:45?

Mr. BOND. I just asked for 2 minutes, and I will make it shorter than that.

Mr. FEINGOLD. Mr. President, the managers have asked Members to offer amendments. I am trying to offer an amendment. I need 11 minutes in order to present the amendment. I am trying to facilitate the progress on the bill. I thought this would be a good opportunity. It is a total of 11 minutes. The conferences don't really begin in earnest until 1 o'clock anyway.

I renew my request to be granted 12 minutes total.

Mrs. LINCOLN. I will certainly try to complete my statement in 5 minutes.

The PRESIDING OFFICER. The Chair objects.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:35 p.m., recessed until p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. INHOFE].

Mrs. LINCOLN. Mr. President, I ask unanimous consent to proceed in morning business for 7 minutes.

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

LITTLE ROCK NINE AND DAISY BATES

Mrs. LINCOLN. Mr. President, mere words seem inadequate to honor the courage of some people and so I am humbled to lend my voice to the chorus of praise for the Little Rock Nine, who today will receive the Congressional Gold Medal, and I will also speak in remembrance of Daisy Bates, a daughter of Arkansas and a civil rights activist.

Receiving the medal today are: Jean Brown Trickery, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wait, Ernest Green, Elizabeth Eckford, and Jefferson Thomas. As teenagers, when they bravely walked through the doors of Central High School in Little Rock, they led our Nation one step closer to social justice and equality. While it is still painful to look at pictures from that time, where white teens sneered at

their black peers, seeing the harsh face of hatred opened our Nation's eyes and propelled the civil rights movement forward.

Before the "Crisis of 1957," as some call the events at Central High, Little Rock was not associated with the pervasive segregation of the Deep South. In fact, Little Rock was considered quite a progressive place and some schools in Arkansas had already integrated following the Brown v. Board of Education decision in May of 1954. So, when nine students sought to integrate Central, few Arkansans envisioned a confrontation with the National Guard at the schools entrance. And I doubt many imagined the long-lasting, profound effects of this confrontation on the entire State. While the country witnessed countless images of this face-off, they were not necessarily aware of the continuing abuse endured by the Little Rock Nine, or the fact that Central High School had to be closed because the atmosphere was so hostile.

Now, we all know that the high school years aren't easy for any teenager. For these men and women, high school was inordinately difficult. In addition to enduring the verbal taunts and even beatings, some had to uproot to other schools in the middle of the school year. Luckily for Carlotta, Thelma, Ernest, Jefferson, and the others, a woman named Daisy Bates entered their lives as a "guardian angel" of sorts.

According to Daisy's own accounts and those of the Little Rock Nine, the students would gather each night at the Bates' home to receive guidance and strength. It was through the encouragement of Daisy Bates and her husband, L.C., that these young men and women were able to face the vicious and hateful actions of those so passionately opposed to their attendance at Central. Ironically, Daisy Bates passed away last Thursday. She was laid to rest this morning, the very day the Little Rock Nine will receive their medals. I know she is with us in spirit—acting again as a guardian angel to these brave men and women. This great woman leaves a legacy to our children, our State and our Nation: a love of justice, freedom, and the right to be educated. As a result of her efforts, the newspaper Mrs. Bates and L.C. published was forced to close. She and L.C. were threatened with bombs and guns. They were hanged in effigy by segregationists. But Daisy Bates persevered. She did all this, withstood these challenges, because she loved children and she loved her country. She had an internal fire, instilled in her during a childhood spent in Huttig, AR. And this strong character shone through as she willingly took a leadership role to battle the legal and political inequities of segregation in our state and the nation.

Many have called that confrontation at Central High an historic moment, a pivotal moment, a defining moment.

But it was more than just one moment. When these nine men and women walked into Central High School, they opened more than a door, they opened the flood gates. For them and for the rest of our country, the battle didn't end at the schoolhouse steps. Their struggle lasted for years and, in reality, it still continues. My husband and I are both products of an integrated public school system in Arkansas. We are personally grateful to the Little Rock Nine for making our school experience rich with diversity. I truly value the lifelong lessons that I learned at an early age and I might not have had the wonderful privilege of studying with children of all races were it not for the Little Rock Nine. There is still much work to be done to bring complete civil rights and equality to our Nation.

Today, as we pause to remember Daisy Bates and to honor the Little Rock Nine, I hope we will be renewed and refreshed in our efforts. I'm encouraged by the words of Daisy Bates' niece, Sharon Gaston, who said, "Just don't let her work be in vain. There's plenty of work for us to do." I hope my colleagues will join me in extending appreciation and commendation to the Little Rock Nine. And in remembering a matriarch of the civil rights movement, Daisy Gaston Bates.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. L. CHAFEE. Mr. President, I ask unanimous consent to speak as in morning business for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The distinguished Senator from Rhode Island is recognized for up to 10 minutes.

Mr. L. CHAFEE. I thank the Chair.

(The remarks of Mr. L. CHAFEE and Mr. JEFFORDS pertaining to the introduction of S. 1891 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. JEFFORDS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. DOMENICI. Mr. President, I ask unanimous consent that Senator BINGAMAN and I be permitted to proceed for 10 minutes as in morning business for the purposes of introduction of an important bill.

Mr. REID. Reserving the right to object, I did not hear the request. What was it?

Mr. DOMENICI. Senator BINGAMAN and I want to introduce a bill that is very historic to New Mexico, and we would like to each speak for about 5 minutes on it. We do not ask for any action. It will be referred to its appropriate committee.

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

The Senator from New Mexico.

(The remarks of Mr. DOMENICI and Mr. BINGAMAN pertaining to the introduction of S. 1892 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

BANKRUPTCY REFORM ACT OF 1999—Continued

Mr. SCHUMER addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, I ask unanimous consent that the pending amendment be laid aside temporarily.

Mr. GRASSLEY. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. AKAKA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. AKAKA. I ask unanimous consent to be given 10 minutes as in morning business.

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

(The remarks of Mr. AKAKA pertaining to the introduction of S. 1888 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. AKAKA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. (Mr. CRAPO). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FEINGOLD. I ask unanimous consent that the order for the quorum call be rescinded.

Mr. GRASSLEY. Mr. President, I object.

The PRESIDING OFFICER. The objection is heard. The clerk will continue the call of the roll.

The legislative clerk continued the call of the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

REJECTING THE DAKOTA WATER RESOURCES ACT

Mr. BOND. Mr. President, I come to the floor to speak about some important legislative matters and to announce to my colleagues I cannot and will not clear a bill called S. 623, the Dakota Water Resources Act, from the Committee on Energy and Natural Resources. It would authorize a half billion dollars to divert additional water from the Missouri River system for additional uses, including transfer to the Cheyenne and Red River systems. We

cannot and will not tolerate the diversion of water. This is strongly opposed by the Governor of my State, by the State of Minnesota, by Taxpayers for Common Sense, and a whole list of environmental groups including the National Wildlife Federation, the Audubon Society, Friends of the Earth and American Rivers. The Canadian Government opposes it, the Governor of Minnesota and the Minnesota DNR oppose it.

I understand why the Dakota Senators want to fight for this. It would be a tremendous boon for their States. But I am not going to be blackmailed because 52 other unrelated bills are being held up over this matter. There are strong substantive objections to this bill. It is not appropriate in this process to try to ram this through, to try to steal water from the Missouri River.

I serve notice on my colleagues, if they have a problem because their bills are being held up in an attempt to blackmail me, it is not going to work. We have worked in good faith with the Senators from North Dakota in the past, helping them with their problems, but I do not intend to be blackmailed into allowing diversion of the Missouri River water.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Oregon?

Mr. WYDEN. Mr. President, I ask unanimous consent to speak for up to 10 minutes as in morning business. If they have a consent agreement worked out, then I will hold off.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Reserving the right to object, I shan't object.

Mr. GRASSLEY. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LEAHY. I said I shan't object.

Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The Senator from Oregon has the floor.

Mr. WYDEN. Mr. President, I noticed Senator GRASSLEY, who worked very hard on this bill, is trying to get a consent agreement. I will hold off if he is ready to go forward. Otherwise, I will proceed because I have the floor.

Mr. GRASSLEY. Take 5 minutes?

Mr. WYDEN. Mr. President, I gather the consent agreement is not worked out. I did ask consent for the right to speak up to 10 minutes. I gather they can work things out during that period of time.

Mr. GRASSLEY. I ask unanimous consent the Senator from Oregon have 5 minutes.

The PRESIDING OFFICER. Without objection the Senator from Oregon has 5 minutes.

SENIOR PRESCRIPTION INSURANCE COVERAGE EQUITY ACT

Mr. WYDEN. Mr. President, I have been coming to the floor for a number

of days now in an effort to try to get a focus back on this prescription drug issue which seems to involve a lot of finger pointing and a lot of partisan bickering. As part of that effort, I have been urging seniors to send in copies of their prescription drug bills. Just as this poster says, the senior can send in a copy of the prescription drug bill, and write to each of us in the Senate here in Washington, DC.

I have been actually coming to the floor and reading some of these bills for a number of weeks. Just in the last couple of days, I heard from a woman in Portland—she is 84; she has diabetes and a heart condition. She has only Social Security to support herself. She is spending over a third of that Social Security check every month on prescription drugs. She is now at a point where it is hard to pay the taxes on her home.

I heard from another gentleman recently. He has a monthly Social Security check of \$633. The cost of his drugs is \$644 a month. He is spending more for his prescription drugs each month than he is actually getting in income. So every month this senior is having to choose between food and fuel and health care. So as a result of this effort to get from seniors copies of their prescription drug bills, we are hearing about the kind of suffering that seniors are enduring around this country.

Senator OLYMPIA SNOWE and I have a bipartisan prescription drug bill. It would cover all senior citizens on an ability-to-pay basis. More than 50 Senators of both political parties are now on record as supporting a funding plan for this legislation. I know other Senators have approaches they would like to try. What is important is that we get a bipartisan focus on this issue. Every public opinion poll shows seniors and families across this country are having difficulty making ends meet when it comes to the high cost of essential health care services.

Our approach is marketplace oriented. There are not price controls. It is not one size fits all. The Snowe-Wyden legislation is called SPICE, the Senior Prescription Insurance Coverage Equity Act. It is designed to deal with the double whammy our seniors are facing on their prescriptions. First, Medicare does not cover the drugs they need and, second, when a senior citizen walks into a drug store, in effect that senior is subsidizing the big buyers, the health maintenance organizations, and other health plans that are able to get discounts.

So seniors have this double whammy now in front of them when it comes to their prescriptions. I hope more will, as these posters indicate, send us copies of their prescription drug bills. I think on the basis of these bills that we are getting from seniors across the country—each of us in the Senate here in Washington, DC—we can bring about bipartisan support to actually respond to the needs of the seniors.

Mr. BYRD. Mr. President, may we have order in the Senate? The Senator

is addressing the Senate. May we have order.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Oregon has the floor.

Mr. BYRD. Mr. President, we still do not have order. May we have order in the Senate? You may have to rap that gavel to be heard.

Mr. WYDEN. Thank you, Mr. President. The Senator from West Virginia has been a great ally of the Nation's older people, and I very much appreciate his thoughtfulness. I believe my time is almost up.

I intend to keep coming to the floor of the Senate to read from these bills that we are getting from the Nation's senior citizens. We have 54 Members of the Senate already on record as having voted for a specific plan to fund a prescription drug benefit for older people. We can do this in a bipartisan way. We have the chairman of the Aging Committee, Senator GRASSLEY, who has led our efforts on the committee on so many issues.

I am going to keep coming back to the floor and read from these bills. Again and again, we are hearing from seniors who cannot afford important drugs such as their diabetes medicines.

I will wrap up by saying, when I am asked the question whether our Nation can afford prescription drug coverage, my response is we cannot afford not to cover prescriptions.

A lot of these drugs help seniors stay healthy, keep their blood pressure down, or help to reduce cholesterol. I have cited previously an anticoagulant drug. It costs senior citizens about \$1,000 a year. With those kinds of medicines, we can help prevent strokes that involve expenses of more than \$100,000.

I am going to keep coming back to this floor to focus on the needs of seniors. We ought to do this in a bipartisan way. That is what is behind the Snowe-Wyden legislation. A lot of our colleagues have other ideas for addressing this issue.

As this poster says, I hope seniors will continue to send copies of their prescription drug bills to us in the Senate, Washington, DC.

I will keep coming to this floor until we can get the bipartisan action we need that provides real relief for the Nation's older people.

I yield the floor.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

BANKRUPTCY REFORM ACT OF 1999—Continued

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senator

from Wisconsin, Mr. FEINGOLD, now be recognized to offer his amendment No. 2748, and he be recognized for up to 12 minutes for general debate on the amendment. I further ask consent that the amendment be laid aside, with a vote occurring on or in relation to the amendment at 5 o'clock, with no second-degree amendment in order prior to the vote. I further ask consent that votes occur on or in relation to the following two amendments in sequence at 5 o'clock, with no second-degree amendments in order prior to the votes, and there be 4 minutes for explanation prior to each vote. Those amendments are No. 2521 offered by Senator DURBIN and No. 2754 offered by Senator DODD. I further ask consent that following the sequencing of the amendments, Senator SCHUMER then be recognized to call up an amendment and to speak for up to 2 minutes and the amendment then be laid aside.

I further ask unanimous consent that the time between now and 5 o'clock be equally divided in the usual form. I further ask consent when the Senate resumes consideration of S. 625 tomorrow, I be recognized to call up our amendment No. 2771 on which there will be a 4-hour time limit.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, Mr. President, if I could ask my friend, the manager of this bill, it is my understanding that the time between now and 5 o'clock would be evenly divided between the majority and minority?

Mr. GRASSLEY. Yes.

Mr. REID. During that period of time, Senators DODD and DURBIN would be able to speak on those two amendments?

Mr. GRASSLEY. That is right.

Mr. REID. Also, during that same period of time, it is my understanding—for example, Senator SCHUMER wanted to offer amendments during that period of time. He would be allowed to do that?

Mr. GRASSLEY. We have it stated here.

Mr. REID. After the votes.

Mr. GRASSLEY. After the votes.

Mr. REID. We want Senator SCHUMER to use some of the time of Senator DODD and Senator DURBIN prior to the 5 o'clock vote.

Mr. GRASSLEY. To answer your question with a further question, this would be to call up, spend a little bit of time explaining them, and lay them aside?

Mr. REID. That is right.

Further, Mr. President, I ask my friend from Iowa, Senator FEINGOLD, I am told, was not expecting a vote tonight.

Is that true?

Mr. FEINGOLD. That is correct.

Mr. REID. He was not expecting a vote on his amendment tonight. So unless there is some reason the majority believes a vote should go forward on that, Senator FEINGOLD would prefer

not to go forward with the vote to-night. So we would still have the two votes on the Durbin and Dodd amendments at 5 o'clock.

Mr. GRASSLEY. We will modify the request accordingly.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Reserving the right to object, just so I understand it correctly, the two amendments that have been debated are the Durbin and Dodd amendments. We have debated those two amendments. This unanimous consent request, Mr. President, if I understand it correctly, would allow us some additional time to debate those two amendments between now and 5 o'clock, but the only amendments to be voted on at 5 o'clock are the Durbin and Dodd amendments?

Mr. GRASSLEY. Yes.

Mr. DODD. However, if other amendments were to be debated or raised for purposes of debate, and then laid aside, the manager of the bill is suggesting that would be allowable in the unanimous consent request?

Mr. GRASSLEY. We are suggesting for the Schumer amendment, according to the agreement, because the other side of the aisle had suggested in the preliminary negotiations that we had on this—negotiations which fell through—that it was very necessary to have a lot of time to devote to debate these amendments on which we had not had votes.

Mr. DODD. Right.

Mr. GRASSLEY. And we had not had debate on them either. So Members on that side of the aisle would be secure that they had an opportunity to thoroughly debate their amendments, that is why we reserved this time.

Mr. DODD. Further reserving the right to object.

Mr. REID. If I could say to my friend from Connecticut, we also have a subsequent unanimous consent request that we expect to propose, once we get this done, which would allow the Senator from Connecticut to offer an amendment that we talked about earlier today.

Mr. SCHUMER. Reserving the right to object, I would like to clarify with either the Senator from Iowa or the ranking minority whip, I would be allowed to offer my amendments in the next hour and a half?

Mr. GRASSLEY. Yes.

Mr. SCHUMER. And would be allowed to debate them, if time permitted, given how much time the Senators from Connecticut and Illinois took on their amendments; is that correct?

Mr. GRASSLEY. It says here you shall have up to 2 minutes on the amendment, then lay it aside.

Mr. REID. I say to my friend from Iowa, that was contemplating his offering them tonight after the 5 o'clock votes. I do not know if we are going to be able to use all of our time, which is approximately 75 minutes, on these

two amendments. It would leave Senator SCHUMER time to offer his amendments and talk under the minority's allotted time.

Mr. GRASSLEY. I think it would be fair, for the purpose of our responding to the desires of your side to have time for your folks who are offering the amendments to have adequate time, that we not let the Senator from New York go beyond what we have agreed to, or then I am going to be subject to criticism at 5 o'clock that somebody on your side did not get enough time to offer their amendment.

Mr. DODD. That is good. Let's go.

Mr. SCHUMER. So just clarifying, in other words, if the Senator from Connecticut and if the Senator from Illinois have extra time, we could debate the amendments that I would now offer; is that correct?

Mr. DODD. Fine.

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Reserving the right to object, will this mean we will have an opportunity this afternoon for debate by those who would be opposed to those amendments?

Mr. GRASSLEY. Yes. We will have equal time on our side for this Senator to allocate to you.

Mr. SESSIONS. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the request, as modified?

Mr. SCHUMER. Those are the amendments I had asked for, not just one?

Mr. GRASSLEY. Yes. Those are the amendments you spoke to me about this morning, banking amendments?

Mr. SCHUMER. Correct.

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

Mr. GRASSLEY. Mr. President, another request. After the 5 p.m. votes, on behalf of the prime sponsor of the pending second-degree amendment, No. 2518, I ask unanimous consent to withdraw the amendment in order for the Senator from Texas, Mrs. HUTCHISON, to offer a second-degree amendment.

Mr. REID. If I may interrupt my friend from Iowa, we just received a phone call that we are going to have to wait a minute on that. So let's get started on the rest of it.

Mr. GRASSLEY. OK. I will withhold and yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

AMENDMENT NO. 2748

(Purpose: To provide for an exception to a limitation on an automatic stay under section 362(b) of title 11, United States Code, relating to evictions and similar proceedings to provide for the payment of rent that becomes due after the petition of a debtor is filed, and for other purposes)

Mr. FEINGOLD. Mr. President, in a few minutes I will offer amendment No. 2748. This amendment concerns section 311 of the bill, which provides a complete exemption from the automatic stay for eviction of proceedings.

The PRESIDING OFFICER. The Senator from Wisconsin is advised this re-

quires the Senator to offer his amendment first and then begin debate.

Mr. FEINGOLD. Mr. President, I would be happy to do that.

I ask unanimous consent to set aside the pending amendments so I may call up amendment No. 2748.

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

The clerk will report the amendment. The bill clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD] proposes an amendment numbered 2748.

Mr. FEINGOLD. I ask unanimous consent further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 108, line 15, strike “; and” and insert a semicolon.

Beginning on page 108, strike line 18 and all that follows through page 109, line 7, and insert the following:

“(23) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor involving residential real property—

“(A) on which the debtor resides as a tenant under a rental agreement; and

“(B) with respect to which—

“(i) the debtor fails to make a rent payment that initially becomes due under the rental agreement or applicable State law after the date of filing of the petition, if the lessor files with the court a certification that the debtor has not made a payment for rent and serves a copy of the certification to the debtor; or

“(ii) the debtor's lease has expired according to its terms and the lessor intends to personally occupy that property, if the lessor files with the court a certification of such facts and serves a copy of the certification to the debtor;

“(24) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor involving residential real property, if during the 1-year period preceding the filing of the petition, the debtor—

“(A) commenced another case under this title; and

“(B) failed to make a rent payment that initially became due under an applicable rental agreement or State law after the date of filing of the petition for that other case; or

“(25) under subsection (a)(3), of an eviction action based on endangerment of property or the use of an illegal drug, if the lessor files with the court a certification that the debtor has endangered property or used an illegal drug and serves a copy of the certification to the debtor.”; and

(4) by adding at the end of the flush material at the end of the subsection the following: “With respect to the applicability of paragraph (23) or (25) to a debtor with respect to the commencement or continuation of a proceeding described in that paragraph, the exception to the automatic stay shall become effective on the 15th day after the lessor meets the filing and notification requirements under that paragraph, unless the debtor takes such action as may be necessary to address the subject of the certification or the court orders that the exception to the automatic stay shall not become effective or provides for a later date of applicability.”.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, my amendment would limit the reach of section 311 of the bill, which I believe is far too broad. I think it is too harsh a solution for the limited abuse that its sponsors say they are trying to address.

Since the Bankruptcy Code was enacted, the automatic stay that becomes effective upon the filing of a bankruptcy petition has always prohibited a landlord from evicting a tenant unless the landlord obtains permission from the bankruptcy court—what is called “relief from the stay.” The stay serves several purposes. In chapter 13, a tenant has a right to assume a lease and to cure a default by paying the accumulated back rent. In chapter 7, the stay was intended to provide the debtor a short “breathing spell.” Breathing room is especially helpful to debtors who want to remain in their homes. In many cases, when a chapter 7 debtor is relieved of other debts, he or she can use this brief period to catch up on the rent and avoid eviction.

The right to avoid eviction by filing bankruptcy is obviously of great importance to tenants who at the very point when they have undertaken the difficult and draining bankruptcy experience would otherwise suffer the additional hardships of moving and having to find new housing. And then you have tenants in rent-controlled or rent-stabilized apartments, who lose valuable property rights if they are evicted. Of course, an eviction would normally doom any hope of the tenant completing a chapter 13 repayment plan or getting much benefit from the fresh start bankruptcy is intended to provide.

I understand that the applicability of the automatic stay to eviction proceedings has come under attack because of abuses. This is primarily due to the practice of debtors in a few cities, especially Los Angeles, of filing bankruptcy cases, sometimes repeatedly, solely for the purpose of delaying eviction and, in effect, “living rent free.” These debtors are often aided by nonattorney bankruptcy petition preparers and file pro se. I have seen the advertisements by some of these unscrupulous individuals, and I deplore this kind of abuse as much as anyone does.

But to address this limited problem of abuse, what S. 625 does is totally eliminate the automatic stay for tenants.

In fact, the bill contains an even more sweeping provision than the language adopted in the conference report last year and contained in the House bill this year.

The problem of abusive bankruptcy filings by tenants in a few jurisdictions can be addressed by more limited, carefully targeted provisions. First, we can cut a whole area of abuse by simply lifting the stay in cases where there are repeat bankruptcy filings. My amendment includes that. These abuses inspired this amendment and

they also point to its underlying goal: to eliminate the possibility that debtors can use the bankruptcy law to live “recent free” after they file. I agree that we should not let tenants take advantage of the bankruptcy laws to live “rent free.” But if a debtor is able to put together enough money to pay rent during the pendency of the bankruptcy, that goal is satisfied. Certainly, the landlord is not losing anything financially by allowing the tenant to stay.

If the landlord again begins collecting rent on the apartment after a bankruptcy filing, it is in the same position as it would be if it evicted the debtor and began collecting rent from a new tenant. So under my amendment, relief from the automatic stay is only available if the debtor fails to pay rent that comes due after the bankruptcy filing.

I also believe that it is important to keep the bankruptcy court involved and aware of the lifting of the stay as it is under current law when a landlord applies for relief from the stay. There does seem to be good reason, however, to provide expedited relief from the stay if the debtor does not pay rent while the proceeding is pending.

So my amendment creates a simple and straightforward process. Once a debtor misses a rent payment after filing for bankruptcy, the landlord can immediately file a certification with the court that the payment has not been received. It must also serve a copy of the certification on the debtor, to make sure that the debtor is aware that the landlord intends to seek to have the stay lifted. After that certification is filed and served, the debtor has 15 days to cure the default. The exemption from the stay will become effective 15 days after the certification is filed and served, unless the court orders otherwise. And one reason for the court to order otherwise is that the rent has been paid.

This certification and expedited exemption process also applies to evictions based on property damage or illegal drug use. By giving discretion to the court to delay or stop the eviction proceeding from going forward, the amendment protects against these provisions being abused by landlords. We don't want landlords alleging property damage for the most minor scratches on the wall in order to take advantage of these expedited procedures.

The expedited procedures also apply to one other situation, which the Senator from Alabama raised during our consideration of this amendment in the Judiciary Committee. The Senator from Alabama sketched out a hypothetical situation where a landlord who has rented his or her own house or apartment to someone wants to move back in after the expiration of the lease. Under the amendment that I offered in committee, the landlord could theoretically be prevented from moving back in to his or her own house if the tenant files for bankruptcy and keeps paying rent.

I think the Senator from Alabama raised a good point in committee, so I have addressed it in this amendment. Again, the underlying goal is to allow tenants the benefits of the automatic stay as long as landlords are no worse off. In the usual case of a landlord who would simply rent to someone else after an eviction, renewed and continuous payment of rent after the bankruptcy filing protects the financial interests of the landlord. But in the case sketched out by the Senator from Alabama, landlords have other rights, namely the right to reoccupy their own homes, that we need to protect as well.

So my amendment contains an additional circumstance in which a landlord can seek expedited relief from the stay—when the lease has expired according to its terms and the landlord intends to occupy the property after the eviction. Once again, the landlord must simply certify that these circumstances exist and 15 days later, the stay is lifted, unless the tenant demonstrates to the court that the certification is erroneous.

It should be remembered that this amendment does not effect the landlord's ability to seek relief from the stay under the procedures provided by current law. Expedited procedures are available for nonpayment of rent after filing for bankruptcy, for evictions based on property damage or drug use, or when a lease has expired and the landlord wishes to reoccupy the property. For all other types of evictions, the landlord may continue to pursue remedies under current law.

As in so many parts of our debate on this bill, the main issue is balance. To the extent there are abuses they should be addressed, but the solutions should be narrowly targeted so that they do not eliminate the rights of honest debtors who need the fresh start that bankruptcy is designed to provide. In this case, I truly believe that the solution is S. 625 for the problem that landlords say they are concerned about goes too far. I am not comfortable with provisions that would kick people out of their apartments even if they can pay rent during the time that they are trying to get their financial house in order. To me that is not constructive, it is punitive. It is not really helping landlords, it is just punishing people who may be trying their very best to keep their heads above water. Shame on us, if we can't see that.

I hope my colleagues will support this modest and balanced amendment.

Mr. President, I ask unanimous consent that amendment No. 2748 be laid aside.

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

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, in response to the remarks of the Senator from Wisconsin, I will not be able to support this amendment, although I do believe he has put some parts in it that

make it superior to what had originally been offered in this regard.

I will share with Members some of the reasons I believe we need to reject this amendment and why this is a classic problem with the current bankruptcy law that we need to fix. We haven't had a major reform of bankruptcy law since 1978. It is time for us to look at it to see how it is working out in the real world. Are there abusers? Are there loopholes, with clever lawyers zealously representing their clients able to utilize some of these loopholes and situations to abuse the fair workings of the bankruptcy court?

Remember, a bankruptcy reform bill sets the law for an entire court. That is the court that handles bankruptcy.

Senator GRASSLEY's bill, with this amendment involving landlord/tenant that I helped sponsor, simply clarifies existing law. It simply makes real and more effectual the existing law. The amendment offered by Mr. FEINGOLD changes the current law; it moves us in a direction that will enhance and encourage litigation and delay and undermine the rule of law as we ought to see it in the country. There are some good lawyers out there practicing bankruptcy law. That is all they do. They know how to work the system and work it well.

Under current law, if a landlord files an eviction against a tenant before the bankruptcy petition is filed by the tenant, that eviction can continue. If an eviction is filed by a landlord based on the fact that his lease has terminated—he has a 1-year lease; we are now in month 14, he files to evict the tenant; he can't just go and throw him out physically—he files a lawsuit in State court to evict the tenant, he will prevail in bankruptcy court. That is not the kind of action the bankruptcy court will permanently stay.

What is the problem? Why are we having a problem? The problem is that when a person files for bankruptcy, all litigation is stayed; there is an automatic stay. So if you file for bankruptcy in Federal court, any lawsuits filed against you in the State court system for collection of your debts, including landlord/tenant, are automatically stayed. So what happens is, the landlord has to hire an attorney, send him down to Federal bankruptcy court, at great expense to himself, to file a motion and ask for a hearing to lift the stay and to say to that bankruptcy judge: Judge, we don't need you to stay this eviction case because the person is clearly in violation of his lease; he hasn't paid his rent, and/or the lease is terminated. It is time for him to be removed from his premises. He has to argue that.

Uniformly, the courts will rule in his favor, and he can then take the matter to State court. In State court, the tenant has all the rights and privileges he has always had to defend himself against eviction. He gets a hearing in court. He just doesn't get a double hearing in Federal court and State court.

This is a great cost to the landlords who have to go through this process. It also deals with landlords who have just a few apartment complexes or maybe just one and maybe the lease is coming up and they don't want to just occupy the premises themselves. Maybe they have already executed a lease with another tenant to take over this apartment. All of a sudden they find the tenant won't leave under his lease. Then he files a petition in bankruptcy. The court stays the efforts to evict and months go by. That is the kind of problem we are having.

How does this abuse occur? We have seen advertisements and pulled them from phone books and newspapers. Here is one: "Seven months free rent." It goes on to talk about how you can file bankruptcy—it has 7 calendar months here—and not be evicted for up to 7 months, even though your lease may have already expired. You have a 12-month lease, and that means you can stay there 19 months by the time you can get around to getting somebody removed from the premises, when you may have already agreed with your son, daughter, or some other possible tenant, that they can take over the property at a given time.

The Feingold amendment, as I understand it, would protect the landlord who wanted to move in himself but not from leasing it to somebody else or letting a family member take over the property.

Here is another one to a tenant organization, a flier that was passed out: "We have more moves, when it comes to preventing your eviction, than Magic Johnson. Call us," the law firm says, "and we will take care of you." "Need more time to move? Stop this eviction from 1 to 6 months."

And there are others we have seen here, quite a number of those kinds of activities. So I say to you that this is not just an imagined problem; it is very real. And still attorneys are advertising around the country, and they are disrupting legitimate landlord-tenant situations. It is an abuse.

Eventually, under the current law, when they go to bankruptcy court and ask that the stay be lifted so they can continue with their eviction, they always win—but they always lose. They win on the law eventually, but they lose because they have been delayed in taking control of their own property and because they have had to pay an extensive legal fee. This is the kind of thing that is driving people mad who are dealing with bankruptcy on a regular basis. They are coming to us in Congress and saying: JEFF, these things are not healthy; they are frustrating, and they are hurting our ability to commercially operate in an effective way.

So how often does it happen? I would like to read a report from the Los Angeles County Sheriff's Office—just in one county in America. This is what the L.A. County Sheriff's Office said. They estimate that 3,886 residents—

3,886—filed for bankruptcy in 1996 alone—in 1 year, in that county—to prevent the execution of a valid court-ordered eviction notice. Think about that. You can even have won your eviction case in court, and an order has been issued to have this person evicted, his or her lease is up, and this stay in bankruptcy stops that.

It goes on to say that 7 percent of the eviction cases handled by the Los Angeles County sheriff's department are stayed as a result of bankruptcy filings. Losses are estimated at nearly \$6 million per year. They advertise in many of the publications "Live Rent Free." That is really what has been happening. "More moves than Magic Johnson" to prevent a legitimate execution of an eviction order.

Remember, we are not saying a landlord can just go remove somebody. Every State has protection for renters. They have to go to court and get a valid eviction order. Many times, they are entitled to other delays before they can be evicted. So I think that is significant.

Another matter that I think is important is the quote from a judge in the Central District of California who is concerned about these cases. He sees them very frequently. Judge Zurzolo in the Central District of California had this to say about bankruptcy and efforts to delay eviction. This is a quote from his opinion in court:

The bankruptcy courts are flooded with chapter 7 and chapter 13 bankruptcy cases filed solely for the purpose of delaying unlawful detainer eviction. Inevitably and swiftly following the filing of these bankruptcy cases is the filing of motions for relief of stay by the landlords. They have hired a lawyer and they have to file a motion for relief of stay. These landlords are temporarily thwarted by this abuse of the bankruptcy court system.

This judge calls it an abuse of the system. These relief from stay motions are rarely contested and never lost. That is, the lawyer who filed the bankruptcy rarely even contests them, and never are they ruled against the landlord. It is never ruled against the landlord, but they are filed and delay has already occurred. He says this:

Bankruptcy courts in our district hear dozens of these stay motions weekly, none of which involve any justiciable conflicts of fact and law.

So it is pretty clear. We have a national problem that ought to be fixed. We can fix it.

What does the current legislation, the bankruptcy reform bill, say about it? It simply says that the automatic stay is not available when an eviction proceeding has already started prior to the filing of a bankruptcy. In other words, if the eviction has started before, you don't get that stay. If an eviction proceeding is based on the fact that the lease is already terminated, you don't get a stay. Otherwise, you would have the same stay. This will stop a lot of wasted effort, a lot of unnecessary costs, a lot of frustration for tenants and those kinds of problems.

I believe this law is good public policy—the way it is written in the Grassley bankruptcy bill—because a bankruptcy court only has control over the assets of the person filing bankruptcy. A lease that has already expired, by its very definition, is not an asset. A lease that has clearly been terminated because of nonpayment of rent is not an asset of the person who is filing bankruptcy. Therefore, the bankruptcy court does not have legal power to control an asset that is not theirs; it is the landlord's. So that is why the courts always rule in favor of the landlord in these cases. The landlord may have another tenant who would want to take over, and that tenant's life may be disrupted if the landlord can't deliver the premises.

In conclusion, the changes suggested in the Feingold amendment alter current law substantially. They allow the tenant to stay in the premises on which the lease has expired and for which they have been in default for lack of payment, or other reasons. This is unacceptable, and it is not sound law. You ought not to have a law that says you can stay in the premises when the lease has expired, for Heaven's sake. This would be the Federal bankruptcy court overruling State law that says when your lease expires, you are out. If we can't have honesty in the effectuation of contracts in America, we are in sad shape. I believe this is a poor amendment and it should not be approved.

I yield the floor.

Mr. GRASSLEY. Mr. President, how much time do we have on our side?

The PRESIDING OFFICER. The Senator has 23 minutes.

Mr. GRASSLEY. Mr. President, I yield 20 minutes to the Senator from North Carolina.

The PRESIDING OFFICER. The Senator is recognized.

NOMINATION OF CAROL MOSELEY-BRAUN

Mr. HELMS. Mr. President, 4 days ago, on November 5, the Senate Foreign Relations East Asian and Pacific Affairs Subcommittee conducted its hearing on the Moseley-Braun nomination. Since it was a subcommittee meeting and a hearing, I viewed it on television. I have a long practice of giving chairmen and ranking members of our subcommittees free rein in conducting their respective hearings. So I viewed the hearing on television, as I say, and it was a sight to behold.

In fact, what it was was a political rally, lacking only a band and the distribution of free hot dogs, soda pop, and balloons. Last night, the full committee met briefly, almost informally, just outside the Chamber here, and reported the nomination to the Senate, with one dissent. I will let you guess whose dissent that was.

Before I proceed further, I express the sincere hope that the nominee, when confirmed to serve as U.S. Am-

bassador to New Zealand, will serve diligently, effectively, and honestly. She will be representing the United States, the country of all Americans. For the sake of our country, I pray there will be no further reports of irregularity involving her conduct. In short, I wish her well.

Before the book is closed on the scores of reports regarding the nominee's often puzzling service as a U.S. Senator, I decided a few footnotes were in order. Many citizens from many States all over this country—principally, however, from the Chicago area—have contacted me during the past few weeks. There have been expressions of puzzlement that the President of the United States decided to reverse the clearly expressed judgment of the people of Illinois in the 1998 election. Several speculated over the weekend that the Senate was about to rubber stamp the President's nomination to serve as U.S. Ambassador to New Zealand. After all, the Illinois voters have made the judgment that serious charges of ethical misconduct by Senator Moseley-Braun disqualified her from further representing them in the Senate. Now they say the same Senate is preparing to declare she is qualified to represent all Americans abroad.

I think it important, therefore, that the people of Illinois—indeed, all Americans—be assured before the Senate proceeds that what they are witnessing is by no means an absolution of Ms. Moseley-Braun. What the American people are witnessing is a successful coverup of serious ethical wrongdoing. I am not going to dwell this afternoon on each of the many serious charges that have been raised, such as the continuing mystery of who really paid for her numerous visits to Nigerian dictator Sani Abacha or where Ms. Moseley-Braun's fiancé, Kosie Matthews, got the \$47,000 downpayment on the Chicago condo. For the record, Mr. Matthews was also her campaign manager and is now conveniently a missing man. Nobody knows where he is.

Whatever happened to the \$249,000 the Federal Election Commission cannot account for her in her campaign? Or who was it exactly who paid for several thousand dollars in airfare, luxury hotel bills, and jewelry purchases during her 1992 trip to Las Vegas or the \$10,000 in jewelry she purchased on her 1992 trip to Aspen, CO?

In most cases, the Foreign Relations Committee and its legal officer were unable to get to the bottom of these and other matters because Ms. Moseley-Braun has been hiding behind Mr. Matthews. Mr. Matthews, a South African native, has skipped the country and is nowhere to be found.

My purpose today is not to go through the laundry list of Ms. Moseley-Braun's well-known ethical lapses but, rather, to focus on the Clinton administration's culpability in all of this affair. Ms. Moseley-Braun was suspected of serious tax crime by the Internal Revenue Service following her

1992 campaign. According to a report in the New Republic magazine, she had:

... a \$6 million-plus war chest for her general election campaign, only \$1 million of which was spent on TV advertising. Moreover, her campaign wound up \$544,000 in debt.

Where did this money go? The IRS wanted to find out, but the IRS' efforts to investigate allegations that Moseley-Braun had diverted an estimated \$280,000 of those campaign funds for personal use and failed to report it as personal income, those allegations were blocked every step of the way by the Clinton Justice Department.

In 1995, the Clinton Justice Department twice refused routine requests by the IRS Criminal Tax Division to convene a grand jury to investigate the charges against Ms. Moseley-Braun. The IRS had credible evidence that, among other things, she had spent some \$70,000 in campaign funds on designer clothes, \$25,000 on two jeeps, \$18,000 on jewelry, \$12,000 on stereo equipment, and some \$64,000 on luxury vacations in Europe, Hawaii, and Africa.

Without a grand jury, Government investigators were denied the subpoena power to get at the key documents they had to have to prove their case. The Clinton Justice Department refused repeated requests to convene a grand jury.

Refusing such a request is highly unusual, according to numerous former IRS and Justice Department officials who made clear that the Justice Department's routine in such matters was to impanel grand juries so the IRS could continue gathering evidence. One former official with the Criminal Tax Division of the Justice Department, a Mr. John Bray, called it virtually unheard of to deny such a request. A former head of the Criminal Tax Division, Cono Namorato, commented:

They [that is to say, the IRS] don't need to show much. . . . By and large, if it is requested, it is approved.

Another described the relationship between the Justice Department and the IRS this way:

The Justice Department basically sees the IRS as their client, and as their attorney they should do as requested.

But in Moseley-Braun's case, this routine request from the client was denied, not once but twice.

Then the Foreign Relations Committee requested all of the documents from both IRS and the Department of Justice on this matter. Contrary to declarations by Ms. Moseley-Braun, the documents do not absolve her of wrongdoing. What the documents prove is that these serious allegations of ethical misconduct were never properly examined because the investigation was blocked by political appointees at the Justice Department, no doubt on instructions from the White House. Interestingly enough, the official at the Justice Department who made the decision, Loretta Argrett, was a Moseley-Braun supporter who had made a modest contribution to the Moseley-Braun

1992 campaign and who had a picture of Ms. Moseley-Braun on her office wall. Senator Moseley-Braun even presided over Ms. Argrett's confirmation in 1993.

It is noteworthy that the White House had to spend more than a week digging around in the bowels of the Justice Department to find the documents requested by the Senate Foreign Relations Committee. That is compelling evidence in and of itself because it demonstrates that the administration failed to properly examine the charges against this nominee when the charges were presented by the IRS in 1995. Again, the administration demonstrably failed even to review the charges in 1999 before sending her nomination up to the Senate.

It occurs to me that perhaps that was not unintentional. Perhaps the folks in the administration knew exactly what they were doing. Perhaps they hoped the spectacle of a public dispute between JESSE HELMS and Carol Moseley-Braun would serve the base political interests of the Clinton administration.

Well, Mr. President, I am not going to give them the spectacle they have been hoping to provoke. It may be that history, in a strange way, is now repeating itself. It is of interest to me that back in 1943, the then United States Senator Josiah William Bailey of North Carolina strongly opposed a proposal that President Franklin Delano Roosevelt nominate FDR's press secretary, a former Raleigh newspaper editor named Jonathan Daniels, as nominee to go—where? To New Zealand as United States Ambassador. Jonathan Daniels was a son of Josephus Daniels who had founded the Raleigh News and Observer many years earlier. Josephus once served as Secretary of the Navy and had chosen Franklin D. Roosevelt to be his assistant. Later on Josephus Daniels served as Ambassador to Mexico, nominated by President Roosevelt.

Jonathan Daniels repeatedly pleaded with FDR to nominate him to be Ambassador to "somewhere" so that he could emulate his father Josephus, but FDR told Jonathan Daniels that he would nominate him to be an Ambassador only if Jonathan persuaded Senator Bailey to approve the nomination. The fly in the ointment was that Jonathan Daniels, prior to going to Washington as press aide to FDR, had written a series of abusive, mean editorials about Senator Bailey. Anyhow, Jonathan decided that he had nothing to lose by going to Senator Bailey's office to plead his case. Senator Bailey flatly rejected the idea of Jonathan Daniels' going anywhere as Ambassador—and flat-out told Jonathan so. To which Jonathan Daniels played his last card, pleading:

Well, Senator, I would have thought that you wouldn't mind my being sent to New Zealand—it's on the other side of the world, you know.

To which U.S. Senator Josiah William Bailey slowly shook his head and said:

Yes, and it ain't fur enough.

Mr. President, you are free to draw your own conclusion. I thank you, and I yield the floor.

The PRESIDING OFFICER (Mr. GORTON). The Senator from Illinois.

Mr. DURBIN. Mr. President, I come to the floor to offer an amendment on the bankruptcy bill, but in light of the statement that was just entered into the record by Senator HELMS, in reference to my former colleague, Senator Carol Moseley-Braun, I am constrained to respond.

Let me say at the outset, I fully support President Clinton's decision to nominate Senator Carol Moseley-Braun to continue to serve this Nation as our Ambassador to New Zealand and Samoa. I was happy to appear before the Senate Foreign Affairs Committee last Friday and to introduce her. I believe she received a fair hearing that day, and those of us who were there came away with the impression that, when her name is called to be appointed Ambassador, she will receive a strong bipartisan vote of the Senate. But I have to say some of the suggestions that have been made in the previous statement at least need to be cleared up for the record.

Running for the Senate subjects you to all sorts of inquiry and investigation, not only by your opponent, who will look at you in the harshest terms, but by the press and any other inquiring mind. Those of us who subject ourselves to that process understand it is going to be tough. Senator Carol Moseley-Braun has done that repeatedly throughout her career, running for offices at the legislative level, the county level, and twice as a statewide candidate in Illinois. Not surprisingly during that period of time there have been many charges that have been thrown at her. Many of those charges were just repeated today on the floor of the Senate. I might remind my colleagues in the Senate, they are just that. They are charges; they are not proven.

I might also say to my colleagues in the Senate, those who view this body as somehow a closed club that takes care of its own ought to take a look at what happened with this nomination, because what Senator Carol Moseley-Braun was subjected to during the course of this process is a standard which, frankly, may exceed a standard imposed on any other person who comes up for an ambassadorship to a post such as New Zealand. In other words, she was subjected to more rigorous examination and questioning than virtually any person off the street nominated by the President.

It may surprise some people to think a former United States Senator would go through that process, but I am happy to report, as the Senate Foreign Affairs Committee learned last Friday, after Senator Carol Moseley-Braun went through an extensive background check at the request of the White House, after her campaign records were

reviewed in detail, after all the charges put in the RECORD on this floor were investigated, after the Internal Revenue Service and Department of Justice and FBI were called in and asked point blank if she was guilty of wrongdoing, they all concluded there was no proof of wrongdoing, and they recommended her name to the President, who then submitted it to the Senate.

Now we are in a position where many of those same charges, with no basis in fact, have been repeated again on the Senate floor. That is truly unfortunate. Let me address two of them. No. 1, as a Senator serving in this body, she visited Nigeria and a leader there of whom the United States did not approve.

I will have to tell you I did not approve of that leader either, but no one has ever questioned the right of any Senator or any Member of the House to decide to take foreign travel and visit a foreign leader without the approval of the State Department. I think, frankly, that is all well and good. When the chairman of the Foreign Affairs Committee, Senator HELMS, chose to visit General Pinochet in Chile, that was his right. Many people in the United States might question it, but I do not question his decision to do that. That is something for him to defend to the voters of North Carolina.

When my Governor in the State of Illinois decided 2 weeks ago to visit with the dictator leader in Cuba, Fidel Castro, again it was his right. In fact, I supported his visit. I thought it was important.

So to bring up this red herring of a visit to Nigeria while she served in the Senate is to hold Carol Moseley-Braun to a different standard than we hold our own colleagues and other leaders across the Nation. I don't think that is fair.

Second, on the talk about campaign finances and whether she misspent them, the record of the committee tells the story. When an auditor came from the FEC and looked at detailed records from the Carol Moseley-Braun campaign in 1992 and went through the \$8 million in expenditures in that campaign, they were able to identify \$311 unaccounted for.

Mr. President, I make a great effort to try to have a full accounting, as required by law. I am sure every Senator does. But \$311 out of \$8 million? To make of that some sort of a disgrace or scandal is to exaggerate it beyond recognition. Those are the charges flung again at Senator Carol Moseley-Braun on the Senate floor.

That is a sad occurrence and one which I wish had not occurred. Frankly, I hope the Members of the Senate, before we adjourn today, have a chance to vote on giving our colleague a chance to serve because we are not only sending an able representative to represent the United States with one of our great allies, New Zealand, we are sending to New Zealand evidence the American dream is still alive because

Carol Moseley-Braun—and I will readily concede she is not only my former colleague but my friend—and her public life are a testament to what America stands for. Born in a segregated hospital facility in Chicago, her mother, a medical technician in the same place, her father a Chicago policeman, she worked her way through college to not only earn a degree but earn a law degree from the University of Chicago, to serve for 5 years as an assistant U.S. attorney and prosecutor, to become the first African American woman to ever serve as a member of the leadership in the Illinois General Assembly, to become the first African American woman ever elected countywide in Cook County, and the first African American woman in this century to be elected to the Senate.

Time and time again, every step of her life has crushed down another barrier so that those who follow her will have a better opportunity.

Now she joins some four other African American women who serve as our Ambassadors should the Senate decide to give her that chance. As she journeys to New Zealand—and I hope she will soon—she will bring with her not only a wealth of public service but a story about how the American dream can be realized if you believe in yourself and if you believe that equality is more than just a word—it is a principle which guides this great country.

I stand in strong support of Carol Moseley-Braun. I believe she will be an excellent Ambassador, and I believe the vote that comes out of this Chamber will be strong and bipartisan and put to rest, once and for all, many of the charges and rumors which have been swirling around her nomination over the past several weeks.

Mr. President, I yield the floor to my colleague, the Senator from New York.

Mr. SCHUMER. I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from New York.

BANKRUPTCY REFORM ACT— Continued

AMENDMENT NO. 2761

(Purpose: To improve disclosure of the annual percentage rate for purchases applicable to credit card accounts)

Mr. SCHUMER. Mr. President, as per the agreement, I call up amendment No. 2761, to be debated for 15 minutes and then laid aside.

I ask unanimous consent that Mr. SANTORUM be added as a cosponsor.

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

The legislative assistant read as follows:

The Senator from New York [Mr. SCHUMER], for himself and Mr. SANTORUM, proposes an amendment numbered 2761.

Mr. SCHUMER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . TRUTH IN LENDING DISCLOSURES.

Section 122(c) of the Truth in Lending Act (15 U.S.C. 1632(c)) is amended—

(1) in paragraph (1), by striking the current text and inserting the following:

“(1) IN GENERAL.—The information described in paragraphs (1), (3)(B)(i)(I), (4)(A), and (4)(C)(i)(I) of section 1637(c) of this title and the long-term annual percentage rate for purchases shall—

“(A) subject to paragraphs (2) and (3) of this subsection, be disclosed in the form and manner which the Board shall prescribe by regulations; and

“(B) be placed in a conspicuous and prominent location on or with any written application, solicitation, or other document or paper with respect to which such disclosure is required.”

For purposes of this subsection, the term “long-term annual percentage rate for purchases” means the highest nondefault annual percentage rate for purchases applicable to the credit card account offered, solicited or advertised, calculated at the time of mailing (in the case of an application or solicitation described in paragraph (1) of section 1637(c) of this title) or printing (in the case of an application or solicitation described in paragraphs (3)(B) of section 1637(c) of this title), except that in the case of a credit card account to which an introductory or temporary discounted rate applies, the term “long-term annual percentage rate for purchases” means the highest nondefault annual percentage rate for purchases applicable to the credit card account offered, solicited or advertised that will apply after the expiration of the introductory or temporary discounted rate, calculated at the time of mailing (in the case of an application or solicitation described in paragraph (1) of section 1637(c) of this title) or printing (in the case of an application or solicitation described in paragraphs (3)(B) of section 1637(c) of this title.”

(2) in paragraph (2), by striking the current text and inserting the following:

“(2) TABULAR FORMATS FOR CREDIT CARD DISCLOSURES.—

“(A) The long-term annual percentage rate for purchases shall be disclosed on or with a written application or solicitation described in paragraphs (1) or (3)(B) of section 1637(c) of this title in 24-point or larger type and in the form of a table which—

“(i) shall contain a clear and concise heading set forth in the same type size as the long-term annual percentage rate for purchases;

“(ii) shall state the long-term annual percentage rate for purchases clearly and concisely;

“(iii) where the long-term annual percentage rate for purchases is based on a variable rate, shall use the term ‘currently’ to describe the long-term annual percentage rate for purchases;

“(iv) where the long-term annual percentage rate for purchases is not the only annual percentage rate applicable to the credit card account offered, solicited or advertised, shall include an asterisk placed immediately following the long-term annual percentage rate for purchases; and

“(v) shall contain no other item of information.

“(B) The information described in paragraphs (1)(A)(ii), (1)(A)(iii), (1)(A)(iv), (1)(B) and (3)(B)(i)(I) of section 1637(c) of this title shall be disclosed on or with a written application or solicitation described in paragraph (1) of section 1637(c) of this title or a written application or solicitation as large as or larger

than 8.5 inches in width and 11 inches in length described in paragraph (3)(B) of section 1637(c) of this title in 12-point type and in the form of a table which—

“(i) shall appear separately from and immediately beneath the table described in subparagraph (A) of this paragraph;

“(ii) shall contain clear and concise headings set forth in 12-point type;

“(iii) shall provide a clear and concise form for stating each item of information required to be disclosed under each such heading; and

“(iv) may list the items required to be included in this table in a different order than the order set forth in paragraph (1) of section 1637 of this title, subject to the approval of the Board.”

“(C) The information described in paragraphs (1)(A)(ii), (1)(A)(iii), (1)(A)(iv), (1)(B) and (3)(B)(i)(I) of section 1637(c) of this title shall be disclosed on or with a written application or solicitation smaller than 8.5 inches in width and 11 inches in length described in paragraph (3)(B) of section 1637(c) of this title in 12-point type and shall—

“(i) be set forth separately from and immediately beneath the table described in subparagraph (A) of this paragraph; and

“(ii) not be disclosed in the form of a table.

“(D) Notwithstanding the inclusion of any of the information described in paragraph (1)(A)(i) of section 1637(c) of this title in the table described in subparagraph (A) of this paragraph, the information described in paragraph (1)(A)(i) of section 1637(c) of this title shall be disclosed on or with a written application or solicitation described in paragraphs (1) or (3)(B) of section 1637(c) of this title and shall—

“(i) be set forth in 12-point boldface type;

“(ii) be set forth separately from and immediately beneath the table described in subparagraph (B) of this paragraph or the information described in subparagraph (C) of this paragraph, whichever is applicable;

“(iii) not be disclosed in the form of a table; and

“(iv) where the long-term annual percentage rate for purchases is not the only annual percentage rate applicable to the credit card account offered, solicited or advertised, be preceded by an asterisk set forth in 12-point boldface type.”

(3) by adding at the end the following:

“(3) TABULAR FORMAT FOR CHARGE CARD DISCLOSURES.—

“(A) In the regulations prescribed under paragraph (1)(A) of this subsection, the Board shall require that the disclosure of the information described in paragraphs (4)(A) and (4)(C)(i)(I) of section 1637(c) of this title shall, to the extent the Board determines to be practicable and appropriate, be in the form of a table which—

“(i) contains clear and concise headings for each item of such information; and

“(ii) provides a clear and concise form for stating each item of information required to be disclosed under each such heading.”

“(B) In prescribing the form of the table under subparagraph (A) of this paragraph, the Board may—

“(i) list the items required to be included in the table in a different order than the order set forth in paragraph (4)(A) of section 1637(c) of this title; and

“(ii) employ terminology which is different than the terminology which is employed in section 1637(c) of this title if such terminology conveys substantially the same meaning.”

Mr. GRASSLEY. Mr. President, will the Senator yield for a question?

Mr. SCHUMER. I yield for a question.

Mr. GRASSLEY. The Senator's 15 minutes are coming within the framework of our voting at 5 o'clock.

Mr. SCHUMER. That is correct.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, I thank the Senator from Iowa and the Senator from Illinois for their courtesy and the Senator from Nevada for his diligent work in seeing we all get some time.

I am offering an amendment, along with the Senator from Pennsylvania, Mr. SANTORUM, to do something very basic to the bankruptcy bill, and that is to make credit card disclosure easier to find, easier to read, and easier to understand. I offer this amendment to achieve a goal I share with the sponsors of this bill—seeing fewer American consumers declare bankruptcy.

I believe, however, that real bankruptcy reform must address one of the root causes of consumer indebtedness, and that is, abusive consumer credit industry practices. Having saturated the middle market, credit card companies, of course, search ever harder for new users. Their search for new customers leads inevitably to those who have the least ability to repay and are most likely to wind up mired in debt.

The Federal Reserve reports that credit card solicitations skyrocketed to a shocking \$3.5 billion in 1998, a 15-percent increase from the previous year. That represents an average of 13 solicitations per year—more than one a month for every man, woman, and child in the United States. That is 12 a year for every man, woman, and child in the United States.

To reach these new customers, the credit card companies are in a race to the bottom oftentimes to come up with misleading marketing gimmicks and hidden fees.

The whole purpose of this bill is to say that those who get deeply into debt should have to repay their debts, even if they are poor. I understand that. I do not agree with certain provisions of it, but I understand it. We can all agree that we ought to have full and broad disclosure before someone signs up for a credit card so they do not get mired in that debt. That is not a Democratic or Republican principle, it is an Adam Smith free market principle: full information.

I am hopeful this bipartisan Schumer-Santorum amendment will meet the approval of this body and improve the bill.

Let me show my colleagues what is happening. Credit card accounts have become more complicated than ever. Look at this credit card solicitation. It is blown up significantly from its actual size. Count the number of rates applicable to the account. There is a teaser rate, 3.9 percent on introductory purchases and balance transfers. That is the only thing that jumps out at you. An unknowing consumer, someone not really trained in legalese, would think that is the annual rate, but it is not. Here are the other rates mired in this very complicated language: a 9.9 percent long-term rate on purchases

and balance transfers; 19.99 percent on cash advances; 9.99 penalty rate, 19 and 22 percent penalty rates on balances in the long run.

My colleagues, that is not disclosure; that is an advance math problem on a college entrance exam. I have had a deep and abiding interest in credit card disclosure.

In 1988, as a House Member, I authored the Fair Credit and Charge Card Disclosure Act. The act required that certain information about a credit card account be disclosed: the annual percentage rate, the annual fee, the minimum finance charge, the method of computing the balance for purchases.

The act required that this amendment be disclosed in a table, the so-called Schumer box. By putting the information in the table and mandating the table be prominently disclosed, the hope was consumers would be able to understand what the costs of credit truly were. But instead of clarity, they got obfuscation. Because of how the Federal Reserve has interpreted the table, disclosure provisions to the Fair Credit and Charge Card Disclosure Act, the result has not been disclosure, but a hide-the-rate shell game.

Again look at this chart. The only number that stands out is 3.9 percent, and on the solicitation in big white letters on the front is 3.9 percent. If you were looking at this, you would think you are getting a 3.9-percent credit card; 3.9 is the only number in big letters. If you read all the little fine print on the inside, you will see the rate is 10 percent, 19 percent, even 22 percent.

We must correct this. We have seen the disclosure box can be stashed away in places far from prominent—the back page or accompanying scrap of paper. We see the disclosure box can appear in font sizes so small it is virtually unreadable. The disclosure box that appears on these is blown up significantly. In the actual solicitation, the letters are so small that even with my 48-year-old eyes, and getting older every minute, I cannot read them.

Finally, we have seen the box disclosure rate of information has turned out to be a mess. The so-called Schumer box, of which I was proud when it first passed, has not helped the consumer as much as intended. The amendment that Senator SANTORUM and I are offering will restructure the existing disclosure box in the following way:

First, it will create a large, readable, 24-point font table solely for the long-term annual percentage rate for purchases. This is the old card, where all you see is the introductory rate in big letters. This is the new rate, and it is easily seen, 9.99 percent, which would be the annual rate. If there is a teaser rate, a so-called introductory offer rate that is very low, that could be on the credit card, but you do not need a college education or calculus to see the annual rate. It is very important.

Second, beneath the table disclosing the long-term annual percentage rate for purchases, it would mandate an-

other table in standard 12-point font that discloses such items as the grace period for repayment, annual fees, minimum finance charges, transaction fees, and other items that are not required to appear in any disclosure box under current law—cash advance fees, late fees, and over-the-credit limit fees.

Finally, beneath this second table there would be full disclosure on all rates applicable to the credit card account. The poster shows the difference. This one looks as if you have a 3.9-percent rate; this one, the annual rate. Again, we are not limiting the consumer. We are simply providing information. This is good old Adam Smith American competition, and companies will compete for people based on who has the best rates.

It is fair to say consumers will be better off under my amendment, in terms of understanding the true costs of credit.

Senator SANTORUM and I believe that disclosure is the way to go, not putting a cap on, not putting limits on, but simply disclosure—but real disclosure—so that people could understand this.

It will fit on an 8½ by 11 sheet. We do not want the credit card companies to be able to say that it is difficult to put this together. All this information, including the large “9.9 percent,” is on an easily understandable sheet.

It is a shame we have to resort to putting font sizes into legislation, but if you look at the old “Schumer box,” with all the legalese, you will know that we need it.

Armed with better information, consumers will avoid some of the financial missteps that can send them into bankruptcy. That is a goal we all share.

So I urge my colleagues to support this amendment proposed by the Senator from Pennsylvania, Mr. SANTORUM, and myself. I urge that we could come together, in a bipartisan way, on an amendment that makes good sense, that improves the legislation. And then if someone falls into bankruptcy—which we hope does not happen—at the very least it would mean they knew what they were getting into.

Mr. President, how much time do I have left on the 15 minutes that have been yielded to me?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

Mr. SCHUMER. Six minutes.

Mr. President, I reserve that 6 minutes to wait for the Senator from Pennsylvania to come speak and for me to conclude.

Thank you, Mr. President.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I understand that the Senator from Illinois has yielded 4 minutes to me.

AMENDMENT NO. 2754

Mr. KENNEDY. Mr. President, I add my support for the amendment that has been offered by the Senator from

Connecticut, Mr. DODD, to address the explosion of credit card debt because students on college campuses are offered credit cards. The amendment, as has been outlined, prohibits credit card companies from giving an individual under the age of 21 a credit card unless the young person has income sufficient to repay the debt or a parent or a guardian, or other family member over the age of 21, to share the liability for the credit card.

The point has been made, but I think it needs to be underlined, that when you get right behind this whole issue, what is happening is that the credit card companies are making these credit cards so available to young people who are attending college that the credit cards are effectively irresistible. The amount of debt that is being run up by these students is escalating into significant figures. What inevitably happens is that the parents are required, by one reason or another, to assume the debt obligation. That is the background, really, on why these efforts are being made by the credit card companies.

What isn't so evident is the kind of turmoil, anxiety, and depression that surrounds this whole atmosphere of student debt. What we found, in the course of the hearings on the Judiciary Committee, in a number of the different presentations that were made while considering the bankruptcy legislation, is that it isn't only the financial obligations that were assumed, but that many of the young people, who had stellar academic records, who were outstanding students in all forms of behavior, who were actually seduced by these credit card obligations and responsibilities, when they found they were unable to free themselves from these kinds of obligations, went into severe depression and into adverse behavior, where the students had tensions in their relationships with their parents, assuming an entirely different chapter in their development. And this is something that is happening with increasing frequency across this country.

The kind of recommendations that the Senator from Connecticut has outlined in the amendment is a very modest and reasonable way of addressing the excesses of this particular phenomenon taking place. This is the place to be able to do it.

I welcome the chance to join with Senator DODD in urging that this particular amendment be adopted. It makes a great deal of sense in terms of the young students in this country. It makes a great deal of sense in terms of their parents, most of whom are hard working, decent parents who get caught up in these obligations, assuming the debts of their children. It puts an extraordinary burden on them as well.

This is a winner for the students and for their parents and for more sensible and responsible bankruptcy legislation.

I reserve the remainder of the time.

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

AMENDMENTS NOS. 2659 AND 2661, EN BLOC

Mr. DURBIN. Mr. President, I ask unanimous consent to call up amendment No. 2659, regarding credit counseling, and amendment No. 2661, regarding prescreening for debtors between 100 and 150 percent of median income, and to immediately set them aside.

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

The clerk will report.

The legislative assistant read as follows:

The Senator from Illinois [Mr. DURBIN] proposes amendments numbered 2659 and 2661, en bloc.

The amendments are as follows:

AMENDMENT NO. 2659

(Purpose: To modify certain provisions relating to pre-bankruptcy financial counseling)

On page 18, line 5 insert "(including a briefing conducted by telephone or on the Internet)" after "briefing".

On page 19, line 15, strike "petition" and insert "petition without court approval."

AMENDMENT NO. 2661

(Purpose: To establish parameters for presuming that the filing of a case under chapter 7 of title 11, United States Code, does not constitute an abuse of that chapter)

On page 7, between line 14 and 15, insert the following:

"unless the conditions described in clause (iA) apply with respect to the debtor.

"(iA) the product of the debtor's current monthly income multiplied by 12—

"(I)(aa) exceeds 100 percent, but does not exceed 150 percent of the national or applicable State median household income reported for a household of equal size, whichever is greater; or

"(bb) in the case of a household of 1 person, exceeds 100 percent but does not exceed 150 percent of the national or applicable State median household income reported for 1 earner, whichever is greater; and

"(II) the product of the debtor's current monthly income (reduced by the amounts determined under clause (ii) (except for the amount calculated under the other necessary expenses standard issued by the Internal Revenue Service and clauses (iii) and (iv) multiplied by 60 is less than the greater of—

"(aa) 25 percent of the debtor's nonpriority unsecured claims in the case; or

"(bb) \$15,000.

The PRESIDING OFFICER. Without objection, the amendments are set aside.

Mr. DURBIN. How much time is remaining on the debate?

The PRESIDING OFFICER. Eleven minutes 30 seconds for that side; 11 minutes for Senator GRASSLEY.

AMENDMENT NO. 2521

Mr. DURBIN. Shortly the Members of the Senate will have a chance to vote on an amendment to which I hope they will give consideration. It is an amendment which addresses a segment of the credit industry which represents the bottom feeders. These are the people who prey on the vulnerable in society. These are the people who try to ensnare vulnerable, frail, elderly, and

sick people into literally signing over the only thing they own on Earth—their homes.

You have seen the cases. You have read about them in the papers and seen the exposes on television. They find a widow living alone in her home. They come in and want to sell her some siding or a new roof or new furnace. The next thing you know, she has a second mortgage on her home. The terms of the mortgage are outrageous. She finds herself losing the only thing she has left on Earth—her home. These are so-called "equity predators."

I salute the Senator from Iowa, Mr. GRASSLEY, who is the manager of this bill on the Republican side, because he had a hearing in March of 1998 of the Special Committee on Aging of the Senate that was dedicated exclusively to this outrage in the credit industry, that these people would come in and prey on so many vulnerable people.

Let me quote Senator GRASSLEY. I do not know if I have his permission, but I did give him notice that I would read this from the hearing. He said:

Before we begin, I want to quote a victim—a quote that in my mind sums up what we are all talking about here today. She said the following: "They did what a man with a gun in a dark alley could not do. They stole my house."

That is what is happening, time and again, when these unscrupulous creditors and lenders prey on the elderly and people who are less educated and end up taking something away from them that they have saved for their entire lives.

What does my amendment do? My amendment says that if this plays out, if they end up ensnaring some poor person into their trap, so that they stand to lose their home, and ultimately that person has to go bankrupt because of this unscrupulous lender, when they go to bankruptcy court, that same equity creditor cannot take away their home. If that person did not follow the law that requires full disclosure and fair treatment of people who are loaned money, they cannot come to bankruptcy court and end up with the deed to the home of an elderly widow. I think that is simple justice. It was a question before this Senate today as to whether or not, when we talk about abuses by those filing for bankruptcy, we will be equally outraged by abuses by creditors such as these predatory lenders who use our legal system and our bankruptcy court to literally push through processes that take away from people things they have saved for their entire life. They are serial credit predators. They prey on the elderly, the less educated, the frail, and the vulnerable. They are the bottom feeders in the credit industry. My amendment will give my colleagues in the Senate a chance to tell them once and for all, stop this devious conspiracy to go after the elderly in America.

How many people are affected by this? So many that in the State of California they have set up a special

fraud unit to go after these predatory lenders.

I am sad to report that as I stand here today, many reputable lenders are opposing my amendment. What does that say about them? If they are opposing my amendment to go after the bad guys, how does that reflect on the good guys in this business? I don't think it tells a very good story.

The groups supporting my amendment include the Consumer Federation of America, the Consumers Union, National Consumer Law Center, the U.S. Public Interest Research Group, the UAW, and others who have decided, as I have, that we should put an end to this once and for all, as is stated in their letter in support of my amendment: As consumers who receive these loans are commonly forced into bankruptcy, it is essential to create a bankruptcy remedy that protects debtors and other honest creditors from the predators who seek to enforce these loans.

Let me give a couple examples of these loans. Lillie Coleman is a resident of New City in Illinois, 68 years old, living on a pension. In comes a person who says: I'll tell you what I will do, Ms. Coleman. I know you own a house. I will consolidate all your debts, and I will lend you \$5,000 for home improvement. The next thing you know, she has signed a \$85,000 mortgage on the home she owned and had worked for for a lifetime. The next thing you know, they are holding these closings without inviting her. They are not giving her the papers to sign. They have broker's fees that were never disclosed to her. They find out that checks that were supposed to go to her creditors aren't going to creditors. They are finding out basically that there is money missing.

There sits Ms. Coleman with a second mortgage on her home and the prospect of losing her home in her retirement at the age of 68. Those are the people we are talking about. Those are the folks knocking on the doors, ringing the telephone off the hook night and day, sending all these luring mailings to people saying: You can just sign the back of this little check, and the next thing you know, there will be money in your hand.

The next thing you know, there is a new mortgage on your home. And if you miss a payment or if you don't understand the terms, you could lose it.

It didn't just happen in Illinois. It happens all over the place. In fact, it has happened in Utah, two or three cases of balloon payments. Do you know what a balloon payment is? You make the regular monthly payments; everything is going along fine. There is a small clause in the contract that says: At one point in time you had better come up with \$49,000 or you lose your home. That is a balloon payment. Many borrowers don't know the details, particularly if they are folks who are elderly. They don't see well. They may not hear well. They think they are

doing the right thing. They, of course, have the legal capacity to sign a contract. The next thing you know, they end up with their home on the line. They may end up in bankruptcy court.

What I am saying with this amendment is, we are not going to give them a chance to use the bankruptcy courts of America as a fishing expedition for the well-earned assets of American families.

This amendment was part of the bankruptcy bill we passed last year 97-1. If there is anybody sitting on the floor saying this idea is way too radical, they voted for it last year. They voted for it last year 97-1. It is something that should be part of this bill.

If you are outraged by the lawyers who are ripping off the system, as I see my friend, the Senator from Alabama, on the floor, who brings this up regularly, if you are outraged by those who go to bankruptcy court who shouldn't be there, share your outrage when it comes to these predatory lenders. Join me in passing an amendment that tells them once and for all, you can't use our legal system to continue this deceptive scheme.

We have found in the course of researching this matter that there are several different approaches these predatory lenders use. They engage in practices where they lend somebody money far beyond their ability to repay. They know going in, with a borrower of limited savings and equity in a home, that they can put that borrower on the spot where, in a short period of time, they are going to default.

We know as well that they try to make an arrangement saying: I will tell you what, we will put the siding on the home. We will make the direct payments to the home contractor, and don't you worry about it. The next thing you know, they have signed the mortgage, the home contractor is not paid, and the poor widow finds herself being assaulted in every direction by those who expect to be paid and finds herself in bankruptcy court.

They impose illegal fees, such as prepayment penalties or increased interest rates at default. They impose balloon payments due in less than 5 years. We have a group of people who are gaming the system at the expense of the most vulnerable people in America.

This amendment does not add any additional requirements to current law. It says that those who want to lend money have to themselves obey the law. If you want to stand for law and order when it comes to somebody coming into bankruptcy court, a debtor who can no longer pay their debts, if you want to establish new and higher standards for them so that they don't rip off the system, for goodness' sake, show some heart when it comes to those who are in bankruptcy court through no fault of their own. They are elderly people who signed onto the contract, and the next thing you know the only thing they own on Earth is at risk.

I have considered this amendment. I have read the transcripts of hearings, particularly the one from Senator GRASSLEY's Committee on Aging. I have read some testimony there that I think says it all. But Senator GRASSLEY's own words really put this in context. In March of 1988, he said as follows:

What exactly are we talking about when we say that equity predators target folks who are equity-rich and cash-poor? These folks are our mothers and our fathers, our aunts and our uncles, and all people who live on fixed incomes. These are people who oftentimes exist from check to check and dollar to dollar, and who have put their blood, sweat and tears into buying a piece of the American dream, and that is their own home.

Senator COLLINS of Maine at the same hearing noted, I think accurately, that we need higher legal standards for those who provide financial services to senior citizens. Let me remind the Senate, I don't impose a higher legal standard here. I only say that those who want to take advantage of the bankruptcy court have to come in with clean hands. If they have been guilty of misuse of the law, dereliction of duty, or violation of the law, they should not be allowed to recover.

Senator LARRY CRAIG, a Republican of Idaho, said at the same hearing: There are many loopholes found in existing protection laws which can and are easily exploited by these creditors. Statements by Senator ENZI and so many of my colleagues attest to the fact that they know that in every State in the Union these smoothies are at work.

The question today before the Senate is what we will do about it. These low-life lenders who give the Merchant of Venice credit standards a good name are the people who will be protected if the Durbin amendment is defeated.

I hope if we are going to hold to a high standard those seeking relief in bankruptcy court, that we start with those who have been shown time and time again to have taken advantage of the system.

I reserve the remainder of my time.

The PRESIDING OFFICER. All time on the Democratic side has expired.

Mr. GRASSLEY. Mr. President, I yield 5 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, what we have before us this afternoon is a perfect example of what can happen when a bankruptcy bill is on the floor, and Members are offering amendments that have nothing to do with bankruptcy law but everything to do with banking.

We have two amendments before us, and I have a short period of time, so I'll make my points briefly.

The amendment offered by Senator DURBIN basically attempts to enforce the truth-in-lending law—which has many remedies under current banking law, including damages, including class action suits—through a new mechanism, the bankruptcy courts.

What is the practical import of all this, and why is this opposed by virtually everybody who is involved in mortgage lending?

Basically, it is a violation of truth in lending to lend money to someone who is not capable of paying it back. So, if we change the law—if we change permanent banking law as part of this bankruptcy bill—to say that if a borrower can prove that someone violated the Truth in Lending Act, then he doesn't have to pay back his mortgage loan when he's in bankruptcy, what is going to happen?

What is going to happen is that everybody in bankruptcy who has a mortgage loan is going to file a lawsuit claiming, Well, obviously, I am bankrupt, so the lender should have known I could not pay this loan back; therefore, under the Durbin amendment, I should not have to pay it back.

This is an absurd amendment that would undercut truth in lending, which has more enforcement powers than most other lending laws in America, by literally creating a situation where every deadbeat would file a lawsuit saying: I have gone bankrupt because I have spent my money. I have not paid my bills, and because I have gone bankrupt, it is the bank's fault; therefore, I should be able to default on my mortgage. Which would mean that every honest person in America who pays their bills, who sacrifices and saves their money and pays off their mortgage, will end up paying a higher rate of interest.

So I hope our colleagues will roundly defeat this amendment. It has absolutely nothing to do with bankruptcy law, and everything to do with banking law, and it should not even be considered.

The second amendment I want to mention is paternalism at its worst, and that is the amendment of my dear friend, Senator DODD, which would require students between the ages of 18 and 21 to get parental consent in order to be issued a credit card.

I want to remind my colleagues that college students who are 18 and older are adults under Federal law for purposes of credit. This amendment would therefore be a violation of the Federal Equal Credit Opportunity Act, which prohibits the use of age on a discriminatory basis against anyone over 18 years of age.

The second point I want to make is that this concern about the danger of students having credit cards is based on a myth. Fifty-nine percent of all college students in America pay their balance in full at the end of the month. But only 40 percent of the general population pays their balance in full. Eighty-six percent of students pay their credit cards with their own money, not with their parents' money. The plain truth is that college students are better credit card risks than the general population. It is obvious that if you are dealing with people who are highly motivated, highly disciplined,

successful college students, you want them to become your customer because they are going to go out and make a lot of money and become very profitable customers. The idea that we would be engaged in this sort of paternalism, which would require every student in America, even though it is against the law for the bank to discriminate against them if they are over 18—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GRASSLEY. Mr. President, I will yield the Senator 1 more minute, the Senator from Pennsylvania 2 minutes, and the Senator from Alabama 3 minutes. That will be the remainder of our time.

The PRESIDING OFFICER. The Senator from Texas may continue for another minute.

Mr. GRAMM. Mr. President, the idea that we in the U.S. Congress are going to pass a law that takes adults, under our Federal credit statutes, and force them to go back to their parents in order to get a credit card, when the credit behavior of students is superior to the general population, is simply an outrage. Our Democrat colleagues cannot get it right. When we debated the banking bill, they were concerned that banks wouldn't lend money to people who are needy. But when we are debating the bankruptcy bill, it is the bank's fault for lending too much money to people who are needy. They can't quite get it straight. I guess it varies depending on which bill are considering. Both of these amendments should be roundly defeated.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Mr. President, I thank the Senator from New York for his amendment dealing with disclosure—as the Senator from New York talked about in his remarks—on credit card solicitations, as to what the real interest rate is that is going to be involved and all the other information that is necessary for consumers to make intelligent decisions as to whether to contract with a credit card company.

All of us get solicitations—I do every day—in the mail offering outrageously low rates of interest. I have looked through them and it is very difficult, even for somebody who is somewhat sophisticated in looking at this information, to find what the true interest rate is and the true terms of the credit card for which you may be signing up.

What the amendment of the Senator from New York does is put it in an obvious place, in clear and bold type, in a box, in a format that people are used to using, as a result of his legislation from a few years ago with respect to credit card statements. This would make it applicable to applications and to solicitations. I think it is a constructive amendment, a disclosure-oriented amendment. It is not something I think is unduly burdensome and it can be helpful to everybody, not just seniors and the others who may have

difficulty reading the small print and understanding very complex legal documents but also the average consumer who wants to be able to make intelligent decisions. And what we are looking at in this bill is the failures as a result of credit card overpayments, as a result of decreased savings rates. This is the kind of commonsense type of thing we ought to be supporting.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I know some young people get in trouble by overspending their credit cards. A lot of adults get in trouble for that. The fact is, I don't believe we, as part of an effort to reform the bankruptcy court, need to be, at this moment, offering amendments; that ought to be done in the Banking Committee. There have been complaints about the fact that credit card solicitations are mailed out to people. Let me say this: We have had a banking bill in which Members have been outraged that banks won't loan to high-risk people, and they are complaining about not making enough loans. It is odd, striking, and shocking to me that poor people are being told they ought not to be even offered credit cards. Some say they are being mailed credit cards. Not so. It is a Federal law, a crime, and it is prohibited to mail credit cards unrequested to somebody. What they are receiving is offers of credit cards. They have to fill out forms and show their income and all that, and they may or may not get it once they fill it out. But to say you can't even offer a person below the poverty level a credit card is amazing to me. Credit cards are good for poor people.

If somebody has a credit card and his tire blows up and he needs a set of tires for his car and doesn't have \$200 cash, what is he going to do, park it until he can save up the money? With a credit card, he can do that and pay it off as he can. Credit cards are valuable things for poor people, for heaven's sake.

For young people, we have this vision that an 18-year-old at college who is being funded by mama runs up a big debt on his credit card. The truth is, a lot of people are not doing that. A lot of people who are 18, 19, and 20 years old will be affected by this legislation, and they may be married, out on their own, going to college during the night, and working during the day. They have to get mama and daddy to sign on before they can even get the credit card they may need to help them through the unexpected expenses that may occur for them.

The suggestion that somehow poor people are being oppressed by being offered credit cards is beyond my comprehension. In fact, one of the good things that is occurring is that we are seeing some competition now. Rates are coming down. People have alternatives. They can cancel a card and get a better card.

The PRESIDING OFFICER. All time has expired. The question is on the Durbin amendment No. 2521.

Mr. GRASSLEY addressed the Chair. The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Is the Durbin amendment the first vote?

The PRESIDING OFFICER. Yes.

Mr. REID. Mr. President, under the unanimous consent agreement, Senator DURBIN and whoever wants to close on that side have 2 minutes, correct?

The PRESIDING OFFICER. There is no unanimous consent agreement to that effect.

Mr. REID. Based on what we have done in the past, Senators have been expecting that. I ask unanimous consent that on this amendment and the other, there be 4 minutes evenly divided.

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

The Senator from Illinois is recognized for 2 minutes.

Mr. DODD. Reserving the right to object, does that also apply to the Dodd amendment?

The PRESIDING OFFICER. There was also an agreement on the Dodd amendment.

The Senator from Illinois, Mr. DURBIN, is recognized.

AMENDMENT NO. 2521

Mr. DURBIN. Mr. President, this amendment was enacted by the Senate as part of the bankruptcy bill last year. The bill received a vote of 97-1. It imposes no new legal duties on creditors or lenders but says they must follow the law if they want to take advantage of the law.

We are talking about equity creditors, lenders who prey on people who are disabled, elderly, vulnerable, and less educated. Folks on a fixed income with a home end up with a new mortgage because they wanted siding on their home or a new roof and several months or years later find out they are about to lose the last thing they have on Earth—their home—because of unscrupulous practices by these creditors.

The bottom line is this: If we are going to have rules in this society for borrowers, we should also have rules for creditors. The rules are called the law. If they do not follow the law, they can be thrown out of bankruptcy court if they are a borrower. If they do not follow the law and the Durbin amendment passes, they will be thrown out of the court because they have been guilty of unscrupulous credit practices, taking advantage of the elderly.

All the Senators on the floor who have lamented the scandalous behavior of these creditors in the past have a chance now to vote for an amendment to tell them once and for all that their low-life tactics are unacceptable in America.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, we have a truth-in-lending law. It is vigorously enforced with many remedies, including damages in class action lawsuits.

Senator DURBIN's amendment would make bankruptcy courts, which have

no jurisdiction over truth in lending whatsoever, an enforcement mechanism of the truth-in-lending law. This produces an absurd situation. Under truth in lending, the lender has an obligation to make some assessment about the borrower's ability to pay. Under this amendment, everyone who is in default or in bankruptcy will be able to argue that the bank should have known that the lender could not pay the loan back and therefore the mortgage should be forgiven.

The net result is that hard-working, frugal people who save money and pay their debts would end up paying hundreds of millions of dollars, billions of dollars, in additional interest costs to cover people who would file lawsuits claiming, "Well, I went broke and it's the bank's fault, and therefore I shouldn't have to pay my mortgage."

This amendment should be defeated. Giving one court, which has no jurisdiction over the pertinent law, the ability to enforce that law, which rightly belongs in another court, is, I think, a gross violation of logic and the basic structure of the legal system. This is a bad amendment that will produce an even worse situation where honest people who pay their debts will end up paying higher interest rates for people who don't pay their debts.

I move to table the Durbin amendment.

Mr. GRASSLEY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 2521. The yeas and nays have been ordered. The clerk will call the roll.

The legislative assistant called the roll.

Mr. FITZGERALD (when his name was called). Present.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

Mr. REID. I announce that the Senator from South Carolina (Mr. HOLINGS) is absent because of a death in the family.

The result was announced—yeas 51, nays 46, as follows:

[Rollcall Vote No. 358 Leg.]

YEAS—51

Abraham	Enzi	McConnell
Allard	Frist	Murkowski
Ashcroft	Gorton	Nickles
Bennett	Gramm	Roberts
Bond	Grams	Roth
Brownback	Gregg	Santorum
Bunning	Hagel	Sessions
Burns	Hatch	Shelby
Campbell	Helms	Smith (NH)
Chafee, L.	Hutchinson	Smith (OR)
Cochran	Hutchison	Snowe
Collins	Inhofe	Stevens
Coverdell	Johnson	Thomas
Craig	Kyl	Thompson
Crapo	Lott	Thurmond
DeWine	Lugar	Voinovich
Domenici	Mack	Warner

NAYS—46

Akaka	Feingold	Lincoln
Baucus	Feinstein	Mikulski
Bayh	Graham	Moynihan
Biden	Grassley	Murray
Bingaman	Harkin	Reed
Boxer	Inouye	Reid
Breaux	Jeffords	Robb
Bryan	Kennedy	Rockefeller
Byrd	Kerrey	Sarbanes
Cleland	Kerry	Schumer
Conrad	Kohl	Specter
Daschle	Landrieu	Torricelli
Dodd	Lautenberg	Wellstone
Dorgan	Leahy	Wyden
Durbin	Levin	
Edwards	Lieberman	

ANSWERED "PRESENT"—1

Fitzgerald

NOT VOTING—2

Hollings

McCain

The motion was agreed to.

Mr. LOTT. I move to reconsider the vote.

Mr. COVERDELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The majority leader.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR NO. 257

Mr. LOTT. As in executive session, I ask unanimous consent that immediately following the next vote, the Senate proceed to executive session and an immediate vote on Calendar No. 257, the nomination of Linda Morgan to be a member of the Surface Transportation Board. I further ask consent that immediately following the vote, the President be immediately notified of the Senate's action, and the Senate then resume legislative session.

Let me confirm, as a result of this vote, there are about five or six other nominations that will be cleared tonight in wrapup.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

BANKRUPTCY REFORM ACT OF 1999—Continued

Mr. LOTT. Mr. President, I ask unanimous consent that the next two votes be 10-minute votes.

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

AMENDMENT NO. 2754

The PRESIDING OFFICER. Under the previous order, there are now 4 minutes equally divided prior to the vote on or in relation to the Dodd amendment No. 2754.

Who yields time?

Mr. KENNEDY. Mr. President, Senator DODD and I have proposed an amendment to address the explosion of credit card debt offered to students on college campuses.

The amendment prohibits a credit card company from giving an individual under the age of 21 a credit card unless the young person has income

sufficient to repay the debt or a parent, guardian, or other family member over the age of 21 shares liability for the credit card. Credit card applications and solicitations must disclose this information to potential consumers.

This amendment is particularly appropriate during debate on bankruptcy reform legislation. We know that credit card debt may not be the sole factor leading to bankruptcy, but for many individuals it is a significant contributing factor.

Congress should be particularly concerned that since 1991, there has been a 50-percent increase in bankruptcy filings by those under the age of 25. In many cases, these are young men and women who are just establishing their independence—and just starting to build a credit history. Poor financial decisions, especially credit card mismanagement can have long-term implications.

We know the siren song of the credit card industry is loud and clear. In 1998, credit card issuers sent out 3.45 billion credit card solicitations to people of all ages, including college students and others who may not have the ability to repay their debts. In fact, First USA recently issued a credit card to 3-year old Alessandra Scalise. Alessandra's mother said she accurately completed and mailed in the preapproved credit card application as a joke. There was no Social Security number or income listed and Alessandra's occupation was listed as "preschooler." Apparently, this didn't make a difference to First USA. Alessandra received a Platinum Visa with a \$5,000 credit limit.

This incident may be attributable to "human error" but there are numerous examples of irresponsible lending practices by credit card issuers—especially when they lend to students who don't have the capacity to repay their debts.

For example, one Discover platinum card issuer's terms of qualification require a minimum household income of \$15,000 unless you are a full-time student. Discover explains that an individual either has to have a \$15,000 minimum income or needs to prove that they are a full-time student. Student applications are rejected only if they have a bad credit history—a prior bankruptcy filing, for example—or if their student status can not be confirmed.

During a February 1998 Banking Subcommittee hearing, Senator SARBANES asked credit card issuers how they determined student income. Bruce Hammonds, senior vice chairman and chief operating officer of MBNA Corporation responded if a student has a loan, "that means they do not have to pay tuition in most cases and we are looking at that tuition payment. Then we would not count the tuition payment against them with their income and expense analysis." In other words, the company ignores the reality of tuition and views a student loan as "free" money—an income stream that can be used to repay credit care debt.

Not surprisingly, credit card companies have unleashed a well-organized and pervasive campaign to attract student consumers. Credit is available to almost any college student—no income, no credit history, and no parental signature required. The National Bankruptcy Review Commission received an advertisement for a 2-day workshop for creditors entitled, "Competing in the Sub Prime Credit Card Market," including a presentation entitled, "Targeting College Students: Real Life 101," with tips on how to "target the money makers of tomorrow."

Students are targeted by the industry the moment they step on to a college campus. Applications are placed in their book bags at the student store, and tempting gifts and bonuses and low teaser rates are used to entice them to send in the application. The American Express Card for College Students has a teaser rate of 7.75 percent for the first 90 days, then it more than doubles to 15.65 percent. Perks include Continental Airlines travel vouchers. The Citibank College Card for Students initial rate is 8.9 percent for 9 months and then it skyrockets to 17.15 percent. The incentive? Eight American Airlines travel coupons.

Brian is a student at the University of Minnesota. He said,

They gave me a free T-shirt and a water bottle to apply for their credit cards. My clever plan? To sucker them out of their prizes and cut up the cards. \$4,000 later . . . I stopped spending . . . In my glory days, I was like King Midas, pointing to things and turning them into my own . . . For me, the worst temptation was food . . . While listening to tunes on your new stereo and munching take out food, the monthly payment seems easy to pay, especially when you can get a cash advance to cover it.

The ads are tempting, too. One ad directly targeting students reads: "Free from parental rule at last. Now all you need is money. Cha-Ching! Get 3 percent cash back on everything you buy."

The Internet is the new frontier for credit card advertising to students. When a student clicks on "www.studentcreditcard.com" he or she finds a treasure trove of shopping offers and discounts, as well as the assurance of 3 percent cash back. Students are told that, "It's totally simple. Spend \$200 on an item with your card and you have an extra six bucks in your pocket. Spend another \$400, that's \$12. It adds up fast when you use The Associates Student Credit Card for all your purchases."

The web site includes some information on establishing a good credit record, but nothing compared to the bonuses and incentives for student consumers.

Not surprisingly, college students respond to solicitation by credit card companies. A recent study by Nellie Mae found that 60 percent of undergraduates have credit cards and 21 percent have 4 or more cards. The median credit card debt among students is

\$1,200 and 9 percent of students have debt between \$3,000 and \$7,000. Five percent of students have credit card debt exceeding \$7,000.

Other studies replicate similar findings. A June 1998 national survey by the Education Resources Institute—"Credit Risk or Credit Worthy"—found that 55 percent of students obtained their first card during their first year of college and a significant proportion received their first credit card while still in high school.

The study argues that many students use credit cards reasonably, but the facts and statistics are disturbing. Fifty-two percent of students say that one of the most important reasons to have a credit card is to "build a credit history" and 45 percent say it's to use in an emergency, but the survey shows that 77 percent of all student credit card purchases were for "routine personal expenses"—a category that may include a wide-range of items.

While attending Villanova, Meghan charged \$15,000 on her credit cards. When she and her friends first applied for the cards they decided to keep them for emergencies, only. But, according to Meghan, they would "end up buying things . . . or taking cash advances just to live on." Meghan planned to get a job to pay off her debt, but that didn't happen. Instead, her mother paid-off the balance on the card—twice.

What's particularly troubling is that many students who use their credit cards when they "run out of checks" or are "on Spring Break" don't realize the financial implications of credit. In a September 1999 article, Joan Bodnar, senior editor of Kiplinger's Personal Finance Magazine wrote, "Kids tend to equate credit cards with free money—in a recent survey of college students, fewer than half of those interviewed knew the interest rate on their cards."

Similarly, a 1993 American Express/Consumer Federation of America study of college students revealed that college juniors and seniors only have a "fair" understanding of financial services products, and few appear to understand an annual percentage rate. A similar study of high school seniors reveals that they have a "poor" understanding of such products.

The result? College students with no income and good intentions often find themselves in debt with no way out. For example, of the 20 percent of students who report an average balance greater than \$1,000, half of those students have four or more credit cards and only 18 percent pay off their outstanding balances every month. In addition, 48 percent of these students have other debt and nearly one-third have charged tuition and fees.

The economic and emotional consequences of credit card debt can be devastating—even deadly—for many students. Tricia Johnson received a desperate call from her daughter, Mitzi, a student in her first year at the University of Central Oklahoma. Mitzi had lost her part-time job and was

afraid she could not pay her debts. Mrs. Johnson tried to comfort her distraught daughter. But, later that night, Mitzi committed suicide. She had accumulated \$2,500 in credit card debt, but her weekly income rarely exceeded \$65. When the police found Mitzi, credit cards were spread across her bed.

Janie O'Donnell—the mother of Sean Moyer, a National Merit Scholar attending the University of Oklahoma—had the same devastating experience. In 1998, Sean told his mother he had no idea how to get out of his financial mess, and he did not see much of a future for himself. Sean had moved home to save money and pay off the \$10,000 he owed Visa and Master Card. A week later, he committed suicide.

A study by the University of Minnesota in 1996, suggests that credit card debt by students often goes hand in hand with stress and depression. Two-thirds of students who said they were taking medication for depression had more than \$1,000 in credit card debt. The study also found that as credit card debt increased, the student's grade point average went down. In 1998, a University of Indiana administrator said, "we lose more students to credit card debt than to academic failure."

Tennessee legislators were disturbed by a study that revealed a large number of Tennessee bankruptcy filers to be surprisingly young, and they are taking action. Several bills were introduced, and the state Senate passed legislation that gives students an opportunity to remove their name from solicitation lists.

It's time for Congress to take action as well. The purpose of the amendment before the Senate is to ensure responsible lending by credit card companies to students. In fact some credit card issuers are adhering to self-imposed restrictions that are more narrow than the Dodd/Kennedy amendment. For example, Dorinda Simpson, CEO of American Partners Federal Credit Union testified that when issuing student credit cards, they set a \$500 credit limit and require a co-signor "so parents know up front what we are loaning to that college student."

This amendment doesn't go that far. It requires credit card companies to either establish that a student has the income to repay the debt or have a co-signor.

The requirements aren't overly burdensome. They won't disadvantage 20-year-olds in the military—they have an income. They won't disadvantage a student with deceased parents—another person may co-sign or the student may have income. They won't disadvantage a 19 year-old, non-college student who is between jobs—that person may have unemployment compensation or another form of income.

And, finally, this amendment is not a form of lending discrimination. When similarly situated individuals aren't treated equally, that's discrimination. When underwriting standards are based

on perception instead of facts, that's discrimination. But, requiring credit card issuers to stop preying on college students they know don't have a means to repay debt—that is ensuring responsible behavior.

I urge my colleagues to support this amendment.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, very briefly, the amendment that I have offered, along with Senator KENNEDY, does the following: It says for persons between the ages of 18 and 21, you must either prove you have the ability to pay or to have a parent, guardian or some qualified person cosign your credit card application. The reason for this provision is because there is an alarming increase.

Mr. SARBANES. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senate will please be in order. Will Senators having conversations please take them into the Cloakroom.

The Senator from Connecticut.

Mr. DODD. Thank you, Mr. President.

There is an alarming increase in the number of young people who are being swamped with credit card applications where with merely their signature and the showing of a student ID they can receive credit of up to \$10,000. In fact, today, the average college student, who does not pay their monthly balance, has a credit card obligation of \$2,000. And one-fifth of those have credit card obligations of \$10,000 or more. We are being told now that one of the largest reasons for disenrollment in higher education is because of credit card debt.

My amendment merely says that between the ages of 18 and 21, you must either prove you have the ability to repay or you must have a cosignature by a parent, guardian, or other qualified individual with the means to repay. It is not outrageous to ask credit card companies to require this kind of information. Students are receiving, on the average, 50 credit card applications in their first semester of college. We set the age of 21 for legal consumption of alcohol in this country. The IRS has a presumption of age 23, if you are in college, in terms of student obligations in loans.

By merely requesting that the credit card companies ask for this basic information, we can slow down this alarming increase in the number of young people who are incurring tremendous debts. Many of these kids are dropping out of school as a result of these debts.

Mr. President, I urge adoption of this amendment to stop this alarming trend of too many young people, while at too young an age, incurring unreasonable credit card debts.

The PRESIDING OFFICER. The time has expired.

I must say before the Senator speaks, the Senate is not in order. Will the Senate please come to order.

The Senator from Utah.

Mr. HATCH. Mr. President, this amendment unfairly discriminates against young adults, and I think it should be opposed. Adults between the ages of 18 and 21 can defend our country in the military. Yet under this amendment, they will not be able to even get a credit card without overcoming regulatory obstacles in their way.

Many young adults, some of whom are students and are supporting young families, need access to credit cards to make their lives just a little bit easier. So I oppose this paternalistic amendment.

I remember what it was like to work in a low-paying job as a janitor. I can appreciate the benefits that being able to obtain credit will provide to hard-working young adults.

Keep in mind, many in this group oppose parental consent for abortion, and you are going to impose parental consent on young adults who may be working, who may have families, who may be in the military, who may be as responsible as anybody else. It just plain isn't right. I do not think we should vote for that.

So I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 2754. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

Mr. REID. I announce that the Senator from South Carolina (Mr. HOLINGS) is absent because of a death in family.

The result was announced—yeas 59, nays 38, as follows:

[Rollcall Vote No. 359 Leg.]

YEAS—59

Abraham	Feingold	McConnell
Allard	Frist	Murkowski
Ashcroft	Gorton	Nickles
Bennett	Gramm	Robb
Biden	Grams	Roberts
Bond	Grassley	Roth
Brownback	Gregg	Santorum
Bryan	Hagel	Sessions
Bunning	Hatch	Shelby
Burns	Helms	Smith (NH)
Chafee, L.	Hutchinson	Smith (OR)
Cleland	Hutchinson	Snowe
Cochran	Inhofe	Specter
Collins	Johnson	Thomas
Coverdell	Kohl	Thompson
Craig	Kyl	Thurmond
Crapo	Lincoln	Torricelli
DeWine	Lott	Voinovich
Domenici	Lugar	Warner
Enzi	Mack	

NAYS—38

Akaka	Boxer	Conrad
Baucus	Breaux	Daschle
Bayh	Byrd	Dodd
Bingaman	Campbell	Dorgan

Durbin	Kerry	Reed
Edwards	Landrieu	Reid
Feinstein	Lautenberg	Rockefeller
Graham	Leahy	Sarbanes
Harkin	Levin	Schumer
Inouye	Lieberman	Stevens
Jeffords	Mikulski	Wellstone
Kennedy	Moynihhan	Wyden
Kerrey	Murray	

ANSWERED "PRESENT"—1

Fitzgerald

NOT VOTING—2

Hollings

McCain

The motion was agreed to.

Mr. REID. I move to reconsider that vote.

Mr. BROWNBACK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BREAUX. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BREAUX. Mr. President, I ask the attention of the managers. I understand there is an informal agreement to allow myself and my colleague, Senator FRIST, to proceed for 5 minutes as in morning business. If that is the case, I ask unanimous consent I be allowed to proceed as in morning business for 5 minutes followed by my colleague from Tennessee with the same request.

Mr. DODD. Reserving the right to object, is that with the understanding that at the conclusion of the 10 minutes I have the opportunity to offer my amendment?

Mr. REID. Reserving the right to object, if the Senator will withhold, we are attempting to get unanimous consent agreement so we can move on.

Mr. DODD. If the Senator from Tennessee and the Senator from Louisiana want to proceed, that is fine.

Mr. REID. If we get unanimous consent, the Senator can interrupt.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Louisiana is recognized for 5 minutes.

MEDICARE REFORM

Mr. BREAUX. Mr. President, I take this time with my distinguished colleague, Senator FRIST from Tennessee, and our distinguished colleague, Senator BOB KERREY, who served with me on the National Bipartisan Commission on the Future of Medicare, to offer what I think is the first ever comprehensive Medicare reform bill to be introduced since the advent of Medicare back in 1965.

We introduced a bill today. It is available for consideration by our colleagues. I hope this legislative effort becomes the marker for future discussions and debate on the question of what we do with Medicare. We introduced the bill today because we think

it is absolutely essential that the Congress in this session take up the question of how to reform the Medicare Program that is currently serving 40 million Americans.

We did it essentially for two reasons. First of all, the program that the seniors now benefit from is not nearly as good as it should be nor nearly as good as it can be. Medicare today is noted more for what it does not cover than for what it actually covers. As an example, it does not cover prescription drugs; it does not cover eyeglasses; it does not cover hearing aids—three examples of things our seniors need and need very desperately.

So in addition to not covering these items, it does not cover a number of other expenses, including about 47 percent of the expenses for seniors who are not covered by Medicare insurance. They have to go out and buy supplemental insurance. So the program is not nearly as good as it should be, nor as good as we could make it.

The second reason we have introduced it is because, as bad as the program is, it is going broke. By the year 2020, one-half of all the revenues to fund the Medicare program are going to have to come out of general revenues. It was never intended to come out of general revenues. It was supposed to be paid from the payroll tax. But, by 2020, over half the costs of the program are going to have to come from general revenues. In addition, by the year 2015, the program is going to be insolvent. It is going to be broke. There is not going to be enough money to pay for the benefits the seniors currently get.

For those two reasons, we have built on what the Medicare Commission recommended, expanded on it, and improved upon it, to present to our colleagues the first ever comprehensive Medicare reform bill.

Basically, building on the Federal Employees Health Benefits Plan, we are saying about the plan that I, as a Senator, have, and what all of our colleagues and all the House Members and the other 10 million Federal employees have, is if it is good enough for them, it should also be good enough for our Nation's seniors.

What we have suggested is we pattern a new Medicare program based on the Federal employees plan. We would create a Medicare board, which would be appointed by the President, confirmed by the Senate, for 7-year terms. They would guarantee all the plans being submitted to serve our seniors would ensure quality standards. They would negotiate the premiums. They would approve the benefits package. They would make sure there are safeguards against adverse selection of only healthy seniors. They would provide information to our seniors.

This Medicare board would call upon the existing health care financing authority and all private groups such as insurance companies—whether it is an Aetna or a Blue Cross—all of these who

want the privilege of serving the Medicare beneficiaries would have to compete for the right to do so. They do not do that today.

We would say to all these people who want to serve Medicare beneficiaries, they have to offer at least as much as what Medicare pays for today, at least as much but hopefully a lot more. We would require every group that wants to sell health insurance to Medicare beneficiaries to have to compete for the right to do so, compete on the price they request seniors to pay, and compete on the quality of service they make available to seniors.

In addition, every one of these plans would have to offer a high option plan which would contain a prescription drug plan. Prescription drugs today are as important as a hospital bed was in 1965, and maybe even more so because prescription drugs keep people out of hospitals. They keep people out of nursing homes. They make their lives better and the quality of their lives better than it would be, were they not getting prescription drugs.

So every one of these single plans would have to offer a high option plan and they would have to make that a prescription drug plan with an actuarial value of at least \$800 per year, which would be indexed to the increase of costs of prescription drugs annually.

They would also have a stop-loss guarantee which simply means no senior would ever have to pay more than \$2,000 out of their pocket.

We think, in essence, what this plan would do is bring about substantive, real reform to a 1965 model program which simply is not working as we move to the 21st century. We cannot continue to tinker around the edges. We need complete, total reform of the Medicare program. If we do that, then we can start talking about adding other benefits such as prescription drugs, which I think are very important and I strongly support. But you cannot add prescription drugs to a broken program. You have to fundamentally restructure it and reform it; bring about real competition where all these plans will compete for the right to serve.

That is what I have as a Senator. That is what 9 million other Federal employees have. I think we would see substantial savings brought about by companies having to compete for who can offer the best package at the best price. If they want to stay in a current fee-for-service plan offered by Medicare, they can stay right where they are. They don't have to make a change. But if they see one of these other plans offer them a better deal, they should take that better deal.

We hope our colleagues take a look at what we have offered. We think it is where we are ultimately going to end up. My colleagues, Senators KERREY and FRIST, have done a terrific job. We think this is where we should go as a nation.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for up to 5 minutes.

Mr. FRIST. Mr. President, I have joined Senators BREAUX and KERREY here this evening to introduce a bill to comprehensively reform Medicare. The obvious question is, why is it necessary to reform Medicare? The very simple answer is that our seniors need and deserve better health care than what the current Medicare program can provide. The problem facing Medicare today is that, although we are in 1999, we are still relying on an antiquated system based on a 1965 model of health care. Medicare today is an inflexible system, it is an incomplete system, and it is a system that is going bankrupt. The rigidity of Medicare today limits access to new treatments and medical technologies, whether it is transplantation or treatment for hypertension.

The benefit package, in particular, is severely outdated, as evidenced by a lack of outpatient prescription drug coverage. I can tell you as a physician, that in order to deliver quality health care to our seniors, prescription drug coverage is imperative.

Most seniors today do not realize the Federal Government only pays 53 percent, or about half, of their overall health care costs. Our nation's seniors deserve better.

Right now, Medicare is micromanaged by Congress through 130,000 pages of regulations, 4 times the number of pages for the IRS code. Right now there are over 10,000 different prices in 3,000 different counties which are managed by the Health Care Financing Administration and Congress.

With 77 million baby boomers entering the Medicare program in 2010, we can expect a doubling of our eligible Medicare beneficiaries over the next 30 years. Medicare, in its current form, is not prepared for and cannot endure these immense demographic changes. The program is already due to be insolvent by the year 2015.

This bill incorporates three main concepts. The first is health care security for our seniors. The second is choice, to meet beneficiaries' individual health care needs, as Senator BREAUX just outlined. The third is the establishment of a comprehensive, health care system that offers an integrated set of benefits.

We model this proposal on the Federal Employees Health Benefits Program. As the Senator from Louisiana just said, that is the way we in Congress get our health care. In addition, 9 million others get their health care through the FEHBP model. We have a long history, almost 40 years of experience with this model. All federal employees, including myself and my family, receive a description of benefits and choices, which outlines all the plans available in a geographic area, including the cost and quality of each plan. It is all right here in this booklet. This is what we as Members of Congress have today and it is what our seniors deserve.

This bill guarantees all current Medicare benefits, which is critical in maintaining health care security. Regardless of what plan a beneficiary chooses, HCFA-sponsored or private, all benefits in Medicare are guaranteed in a system based on choice and competition.

For the first time in Medicare, not only are outpatient prescription drugs offered to all beneficiaries, but all Medicare beneficiaries receive a discount for drug benefits. Full coverage is offered for beneficiaries below 135 percent of poverty. For beneficiaries between 135 percent and 150 percent of poverty there will be a discount based on a sliding scale, ranging from 50 percent to 25 percent. For all other beneficiaries who are above 150 percent of poverty, a 25-percent discount is offered.

This bill protects beneficiaries against high out-of-pocket costs. Most seniors do not realize today that if they get sick, there is no limit on what they will pay for care. We, for the first time, through enrollment in a high-option plan, limit out-of-pocket expenditures to \$2,000 for core Medicare benefits.

This bill also offers low-income and rural protections. In our legislation, we specifically address the lack of private plans in certain areas, such as rural areas. In these underserved or rural areas, we make sure that affordable health care is available for seniors. We guarantee both the current Medicare benefits and prescription drug benefits.

We include beneficiary outreach and education efforts coordinated at the federal, state and local levels, to ensure timely, accurate, and understandable information, outlining affordable health care options, is available for all Medicare beneficiaries.

In summary, the bill we have introduced today promotes high-quality, comprehensive, integrated health care for our seniors that meets their individual needs. It assists all beneficiaries, especially those with low incomes, in obtaining comprehensive benefits, including prescription drug coverage. It increases the flexibility of the Medicare program to capture innovations in medicine. Whether it is new technologies, new breakthroughs in medicines, or new drugs, it is important seniors have access to these services, something they don't have today. This bill also ends congressional micromanagement. We have been struggling all week with fixes to a Balanced Budget Act from 2 years ago, trying to figure out how to correct the problems we created by micromanaging Medicare on the Senate floor. This just does not make sense. As I said, there are over 130,000 pages of regulations that we are trying to oversee here in Congress. Finally, we adopt a stable, competitive system based on the proven FEHBP model. This bill is based on competition, choice, health care security, and the need for comprehensive and integrated benefits, including prescription drugs.

I urge all of our colleagues to support this legislation as it is a critical focal point and sets the stage for future discussions as we address Medicare reform and modernization.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I join the distinguished Senator from Tennessee and the distinguished Senator from Louisiana in introducing this legislation. I want to emphasize something both Senators emphasized in an earlier press conference, and that is, the goal of this legislation has three parts: No. 1 is security, securing Medicare for beneficiaries today and beneficiaries in the future. It is a terribly important program, and the roughly 40 million Americans who currently benefit from this program need to know the law guarantees their benefits. This proposal actually secures their benefits even more than existing law.

Some people will attack this proposal, but we have been very careful in drafting this legislation to accommodate the beneficiaries' concerns that their benefits under a competitive model might be lower. This legislation says their benefits cannot be less than what is currently available under existing law, and there is, I say to those who are concerned about rural communities, as I know the distinguished occupant of the Chair is, there is a provision in here that says if competition does not bring alternative plans, plans other than the fee-for-service offering of the Health Care Finance Administration, that the cost to the beneficiaries cannot exceed 12 percent of the national weighted average. That would make it very likely that in rural areas there will be no penalty; indeed, it is likely to be they will be paying less than they do under the current law.

The second is that it is comprehensive and it offers comprehensive choice. There is a very important part of this legislation that, almost all by itself, is going to increase the satisfaction of citizens as they examine Medicare. That is, we establish a public board that has significant power not just over HCFA but over the plans that are offered in the marketplace.

Right now, HCFA writes the rules for competing plans; obviously, a conflict of interest. We do not want to decrease the ability of HCFA to offer plans. We have written this so HCFA can offer its fee-for-service plan and be competitive, but we want this board to set the rules and conditions under which competitive plans come into the marketplace, although we have written in the legislation guarantees, as I indicated earlier, to make certain the program is secure.

A public board is much more likely to give the public satisfaction than the current environment. All of us understand it is exceptionally difficult both to evaluate what is right and what is wrong when we are faced with a request from a provider or from a beneficiary, and it is even more difficult to

get HCFA to change its rules mostly on account of HCFA knowing that if it changes a rule, for example, in Nebraska, it is going to be changing rules for all other 49 States as well and could add significant costs to the program. So HCFA ends up being very inflexible, I argue not through any fault of its own but through the fault of the way the law is written.

The second objective of this legislation is that we provide comprehensive choice in a new legal environment, where the citizens will have more opportunity to make their case to a public board and the public board will have much greater expertise in making decisions about how to create a competitive environment that will enable HCFA to compete as well as private sector companies to come on line and offer more choice at lower cost to beneficiaries.

The third thing is we say that a prescription benefit should and must be considered in a comprehensive solution with Medicare reform. We cannot separate it. You cannot take a prescription benefit for a Medicare beneficiary and separate it and create an entirely new program without considering the need for comprehensive change in the program. It is much more likely that we will satisfy concerns of taxpayers that we not end up with a program that has an open-ended cost to it and much more likely, especially with the structural change of the board, that the rules will be written so the marketplace cannot only develop affordable products, but develop creative products that we are apt to see increasingly being asked for by our health care delivery system.

I am very pleased to be a cosponsor of this legislation. I hope we are able to get a markup in the Senate Finance Committee next year. I hope this becomes the basis for bipartisan reform. All too often this is a subject matter that lends itself to demagoging on both sides. Medicare has become a verb and a form of political art. Hopefully, as a consequence of it beginning in a bipartisan fashion, it will end up in a bipartisan fashion, and the rhetoric will be much more tame and much more honest as well.

SOCIAL SECURITY

Mr. KERREY. Mr. President, I would also like to take a minute to talk about a companion program to Medicare, and that is Social Security.

A Social Security beneficiary will say Social Security and Medicare are in the same program, indeed, in the same act, in the same law. As far as the beneficiary is concerned, one program serves the needs of the other.

The General Accounting Office today released a public report which evaluates five plans that have been presented to the people, five plans that the people should look to and evaluate to answer the question: Is this a plan I support?

Let me list what those plans are. The first plan is the status quo, what I call in a nonpejorative fashion the do-nothing plan; the do-nothing plan calls for maintaining current law, waiting until manana, and fixing the program 10 years, 20 years from now. GAO evaluates the do-nothing plan, which, by the way, has 500 cosponsors at the moment in the House and the Senate. The GAO evaluated the plan that Senator GREGG, myself, Senator GRASSLEY, Senator BREAU, and three others in the Senate have introduced. The bill number is S. 1383. The House companion bill to S. 1383 is H.R. 1793, a companion bill which has nine cosponsors. The GAO evaluated that bill as well.

The GAO also evaluated S. 1831. That is the President's reform plan. It has been introduced in the Senate. The GAO also evaluated the Archer-Shaw proposal, though Chairman ARCHER and Representative SHAW have yet to introduce their reform plan in the form of a bill. They evaluated the details of the Archer-Shaw proposal that were provided to them. And finally, GAO evaluated Representative KASICH's proposal. I do not know what its number is or how many people are on it, but it is a specific piece of legislation that has been introduced.

The GAO has done a very useful service, in my view, for a couple of reasons.

Reason No. 1 is that GAO finally identifies the status quo as a plan. In other words, you cannot not be for something. If you are not on a bill, you are supporting the status quo, you are supporting existing law. There are serious consequences to supporting existing law.

The GAO evaluated all five of these plans.

Secondly, GAO outlined for the first time the eight financial and budgetary criteria by which these five proposals ought to be judged by the American public. In the report, they ask:

First, does it reduce pressure of Social Security spending on the budget?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KERREY. How much time did I have?

The PRESIDING OFFICER. The Senator had 5 minutes under a unanimous consent agreement to proceed.

Mr. KERREY. I ask unanimous consent that I be given 2 additional minutes.

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

Mr. KERREY. Mr. President, there were eight other questions on the financial side.

Question No. 2: Does it reduce the national debt?

Question No. 3: Does it reduce the cost of Social Security as a percent of GDP?

Question No. 4: Does it increase national savings?

Question 5: Does it solve the 75-year actuarial solvency problem? In other words, can it keep the promise to all

270 million beneficiaries both eligible today and out into the future?

Question No. 6: Does it create new, undisclosed contingent liabilities?

Question No. 7: Does it increase payroll taxes or place an obligation on general revenues?

And question No. 8: Are there safety valves to accommodate future growth in the program?

These are the key financial questions. The GAO has laid out an evaluation of the five dominant plans that have been offered by Members of Congress to the public.

In addition, GAO attempts to do an analysis of the administration and implementation issues in each plan.

Finally, GAO attempts to evaluate whether or not equity—generational equity—and progressivity have been taken into account in each plan. Equity and progressivity are always important. Social Security is a very progressive program to beneficiaries.

I hope that this GAO report gets a little bit of air time and a little bit of consideration by Members. I hope that particular attention will be paid to the do-nothing, status quo plan.

There are consequences to the do-nothing plan. The current status quo plan dramatically increases debt and interest costs in the future. This large debt will have a major impact on the tax burdens and interest rates of future workers. GAO comments very unfavorably when it measures the status quo approach against its eight financial criteria. There are very negative consequences for both current beneficiaries and future beneficiaries and the American taxpayers for doing nothing.

I urge my colleagues to take a closer look at this GAO report—and to really understand the cost tradeoffs between different approaches to Social Security reform. The battle cry all year long has been to save Social Security first. We created an elaborate lockbox mechanism so we could do it. My hope is that next year, with the assistance of GAO and this report, we will see an increasing number of Members who are enthusiastic about putting their names on specific legislation to reform Social Security.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

UNANIMOUS-CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. GRASSLEY. Mr. President, as in executive session, I ask unanimous consent that on Wednesday, following the vote in relation to the drug amendment to the bankruptcy bill, the Senate proceed to executive session for the consideration of calendar Nos. 399 to 400, the nomination of Carol Moseley-Braun to be ambassador to New Zealand and Samoa. I further ask unanimous consent that the Senate then immediately proceed to a vote on the confirmation of the nomination and, following the vote, the President then immediately be notified of the Senate's

action, and the Senate then proceed to the nomination of Linda Morgan and, following that confirmation vote, the President be immediately notified and the Senate then resume executive session.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. GRASSLEY. I announce for the leader that in light of this agreement, there will be three rolcall votes between noon and 1:00 p.m. tomorrow.

BANKRUPTCY REFORM ACT OF 1999—Continued

Mr. GRASSLEY. Mr. President, we can proceed, then, to our adoption of some amendments on which we have agreement.

The PRESIDING OFFICER. The Senator from Iowa.

AMENDMENTS NOS. 1722, AS MODIFIED; 2530, AS MODIFIED; 2546; 2749; 2750; 2758, AS MODIFIED; 2768; 2772, AS MODIFIED; 2528; 2664; AND 2665, EN BLOC

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the following amendments be considered en bloc, and modifications be considered agreed to, where noted, that the amendments be agreed to, en bloc, and the motions to reconsider be laid upon the table, all without intervening action or debate.

I will give you the amendment Nos.: Amendment No. 1722 by Mr. ROBB, as modified; amendment No. 2530 by Mr. BYRD, as modified; amendment No. 2546 by Mr. BENNETT; amendment No. 2749 by Mr. FEINGOLD dealing with PACs; amendment No. 2750 by Mr. FEINGOLD dealing with FEC fine; amendment No. 2758 by Mr. ROTH and Mr. MOYNIHAN, as modified—I will send that modification to the desk—amendment No. 2768 by Mr. LEVIN; amendment No. 2772 by Mr. LEVIN, as modified—that modification will be sent to the desk—amendment No. 2528 by Mr. LEAHY; amendment No. 2664 by Mr. KOHL; and amendment No. 2665 by Mr. KOHL. I send the modifications to the desk.

Mr. LEAHY. Mr. President, if the Senator will yield, the last two are by the distinguished Senator from Wisconsin, Mr. KOHL; is that right?

Mr. GRASSLEY. Yes.

Mr. LEAHY. Of course, I have no objection.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

The amendments (Nos. 1722, as modified; 2530, as modified; 2546; 2749; 2750; 2758, as modified; 2768; 2772, as modified; 2528; 2664; and 2665) were agreed to as follows:

AMENDMENT NO. 1722, AS MODIFIED

(Purpose: To provide that duties of a trustee shall include providing certain information relating to case administration, and for other purposes)

On page 51, strike line 24 and insert the following:

“(7) provide information relating to the administration of cases that is practical to any

not-for-profit entity which shall provide information to parties in interest in a timely and convenient manner, including telephonic and Internet access, at no cost or a nominal cost.

An entity described in paragraph (7) shall provide parties in interest with reasonable information about each case on behalf of the trustee of that case, including the status of the debtor's payments to the plan, the unpaid balance payable to each creditor treated by the plan, and the amount and date of payments made under the plan. The trustee shall have no duty to provide information under paragraph (7) if no such entity has been established.”; and

AMENDMENT 2530, AS MODIFIED

(Purpose: To make an amendment with respect to credit card applications and solicitations that are electronically provided to consumers)

At the appropriate place, insert the following:

SEC. —. PROVISION OF ELECTRONIC FTC PAMPHLET WITH ELECTRONIC CREDIT CARD APPLICATIONS AND SOLICITATIONS.

Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following:

“(5) INCLUSION OF FEDERAL TRADE COMMISSION PAMPHLET.—

“(A) IN GENERAL.—Any application to open a credit card account for any person under an open end consumer credit plan, or a solicitation or an advertisement to open such an account without requiring an application, that is electronically transmitted to or accessed by a consumer shall be accompanied by an electronic version (or an electronic link thereto) of the pamphlet published by the Federal Trade Commission relating to choosing and using credit cards.

“(B) COSTS.—The card issuer with respect to an account described in subparagraph (A) shall be responsible for all costs associated with compliance with that subparagraph.”.

AMENDMENT NO. 2546

(Purpose: To amend certain banking and securities laws with respect to financial contracts)

(The text of the amendment is printed in today's RECORD under “Amendments Submitted.”)

AMENDMENT NO. 2749

(Purpose: To clarify the bankruptcy jurisdiction over insolvent political committees)

At the appropriate place, insert the following:

SEC. —. NO BANKRUPTCY FOR INSOLVENT POLITICAL COMMITTEES.

Section 105 of title 11, United States Code, is amended by inserting at the end the following:

“(e) A political committee subject to the jurisdiction of the Federal Election Commission under Federal election laws may not file for bankruptcy under this title.”.

AMENDMENT NO. 2750

(Purpose: To make fines and penalties imposed under Federal election law nondischargeable)

At the appropriate place, insert the following:

SEC. —. FEDERAL ELECTION LAW FINES AND PENALTIES AS NONDISCHARGEABLE DEBT.

Section 523(a) of title 11, United States Code, is amended by inserting after paragraph (14A) the following:

“(14B) fines or penalties imposed under Federal election law;”.

AMENDMENT NO. 2758, AS MODIFIED

(Purpose: To provide for tax-related bankruptcy provisions)

Beginning on page 181, strike line 20 and all that follows through page 203, line 17, and insert the following:

TITLE VII—BANKRUPTCY TAX PROVISIONS

SEC. 701. TREATMENT OF CERTAIN LIENS.

(a) TREATMENT OF CERTAIN LIENS.—Section 724 of title 11, United States Code, is amended—

(1) in subsection (b), in the matter preceding paragraph (1), by inserting “(other than to the extent that there is a properly perfected unavoidable tax lien arising in connection with an ad valorem tax on real or personal property of the estate)” after “under this title”; and

(2) in subsection (b)(2), by inserting “(except that such expenses, other than claims for wages, salaries, or commissions which arise after the filing of a petition, shall be limited to expenses incurred under chapter 7 of this title and shall not include expenses incurred under chapter 11 of this title)” after “507(a)(1)”; and

(3) by adding at the end the following:

“(e) Before subordinating a tax lien on real or personal property of the estate, the trustee shall—

“(1) exhaust the unencumbered assets of the estate; and

“(2) in a manner consistent with section 506(c), recover from property securing an allowed secured claim the reasonable, necessary costs and expenses of preserving or disposing of that property.

“(f) Notwithstanding the exclusion of ad valorem tax liens under this section and subject to the requirements of subsection (e), the following may be paid from property of the estate which secures a tax lien, or the proceeds of such property:

“(1) Claims for wages, salaries, and commissions that are entitled to priority under section 507(a)(4).

“(2) Claims for contributions to an employee benefit plan entitled to priority under section 507(a)(5).”.

(b) DETERMINATION OF TAX LIABILITY.—Section 505(a)(2) of title 11, United States Code, is amended—

(1) in subparagraph (A), by striking “or” at the end;

(2) in subparagraph (B), by striking the period at the end and inserting “; or”; and

(3) by adding at the end the following:

“(C) the amount or legality of any amount arising in connection with an ad valorem tax on real or personal property of the estate, if the applicable period for contesting or redetermining that amount under any law (other than a bankruptcy law) has expired.”.

SEC. 702. TREATMENT OF FUEL TAX CLAIMS.

Section 501 of title 11, United States Code, is amended by adding at the end the following:

“(e) A claim arising from the liability of a debtor for fuel use tax assessed consistent with the requirements of section 31705 of title 49 may be filed by the base jurisdiction designated pursuant to the International Fuel Tax Agreement and, if so filed, shall be allowed as a single claim.”.

SEC. 703. NOTICE OF REQUEST FOR A DETERMINATION OF TAXES.

Section 505(b) of title 11, United States Code, is amended—

(1) in the first sentence, by inserting “at the address and in the manner designated in paragraph (1)” after “determination of such tax”;

(2) by striking "(1) upon payment" and inserting "(2)(A) upon payment";

(3) by striking "(A) such governmental unit" and inserting "(i) such governmental unit";

(4) by striking "(B) such governmental unit" and inserting "(ii) such governmental unit";

(5) by striking "(2) upon payment" and inserting "(B) upon payment";

(6) by striking "(3) upon payment" and inserting "(C) upon payment";

(7) by striking "(b)" and inserting "(2)"; and

(8) by inserting before paragraph (2), as so designated, the following:

"(b)(1)(A) The clerk of each district shall maintain a listing under which a Federal, State, or local governmental unit responsible for the collection of taxes within the district may—

"(i) designate an address for service of requests under this subsection; and

"(ii) describe where further information concerning additional requirements for filing such requests may be found.

"(B) If a governmental unit referred to in subparagraph (A) does not designate an address under that subparagraph, any request made under this subsection may be served at the address for the filing of a tax return or protest with the appropriate taxing authority of that governmental unit."

SEC. 704. RATE OF INTEREST ON TAX CLAIMS.

(a) IN GENERAL.—Subchapter I of chapter 5 of title 11, United States Code, is amended by adding at the end the following:

"§ 511. Rate of interest on tax claims

"(a) If any provision of this title requires the payment of interest on a tax claim or the payment of interest to enable a creditor to receive the present value of the allowed amount of a tax claim, the rate of interest shall be the rate shall be determined under applicable nonbankruptcy law.

"(b) In the case of taxes paid under a confirmed plan under this title, the rate of interest shall be determined as of the calendar month in which the plan is confirmed."

(b) CLERICAL AMENDMENT.—The table of sections for chapter 5 of title 11, United States Code, is amended by inserting after the item relating to section 510 the following:

"511. Rate of interest on tax claims."

SEC. 705. PRIORITY OF TAX CLAIMS.

Section 507(a)(8) of title 11, United States Code, is amended—

(1) in subparagraph (A)—

(A) in the matter preceding clause (i), by inserting "for a taxable year ending on or before the date of filing of the petition" after "gross receipts";

(B) in clause (i)—

(i) by striking "for a taxable year ending on or before the date of filing of the petition"; and

(ii) by inserting before the semicolon at the end, the following: ", plus any time during which the stay of proceedings was in effect in a prior case under this title or during which collection was precluded by the existence of 1 or more confirmed plans under this title, plus 90 days"; and

(C) by striking clause (ii) and inserting the following:

"(ii) assessed within 240 days before the date of the filing of the petition, exclusive of—

"(I) any time during which an offer in compromise with respect to that tax was pending or in effect during that 240-day period, plus 30 days; and

"(II) any time during which a stay of proceedings against collections was in effect in

a prior case under this title during that 240-day period; plus 90 days."; and

(2) by adding at the end the following:

"(H) An otherwise applicable time period specified in this paragraph shall be suspended for—

"(i) any period during which a governmental unit is prohibited under applicable nonbankruptcy law from collecting a tax as a result of a request by the debtor for a hearing and an appeal of any collection action taken or proposed against the debtor; plus

"(ii) 90 days."

SEC. 706. PRIORITY PROPERTY TAXES INCURRED.

Section 507(a)(9)(B) of title 11, United States Code, is amended by striking "assessed" and inserting "incurred".

SEC. 707. NO DISCHARGE OF FRAUDULENT TAXES IN CHAPTER 13.

Section 1328(a)(2) of title 11, United States Code, as amended by sections 105, 213, and 314 of this Act, is amended—

(1) by inserting "(1)(B), (1)(C)," after "paragraph"; and

(2) by inserting "and in section 507(a)(8)(C)" after "section 523(a)".

SEC. 708. NO DISCHARGE OF FRAUDULENT TAXES IN CHAPTER 11.

Section 1141(d) of title 11, United States Code, is amended by adding at the end the following:

"(5) Notwithstanding paragraph (1), the confirmation of a plan does not discharge a debtor that is a corporation from any debt for a tax or customs duty with respect to which the debtor—

"(A) made a fraudulent return; or

"(B) willfully attempted in any manner to evade or defeat that tax or duty."

SEC. 709. STAY OF TAX PROCEEDINGS LIMITED TO PREPETITION TAXES.

Section 362(a)(8) of title 11, United States Code, is amended by inserting ", with respect to a tax liability for a taxable period ending before the order for relief under this title" before the semicolon at the end.

SEC. 710. PERIODIC PAYMENT OF TAXES IN CHAPTER 11 CASES.

Section 1129(a)(9) of title 11, United States Code, is amended—

(1) in subparagraph (B), by striking "and" at the end;

(2) in subparagraph (C), by striking "deferred cash payments, over a period not exceeding six years after the date of assessment of such claim," and all that follows through the end of the subparagraph, and inserting "regular installment payments in cash—

"(i) of a total value, as of the effective date of the plan, equal to the allowed amount of such claim;

"(ii) with interest thereon calculated at the rate provided in section 6621(a)(2) of the Internal Revenue Code of 1986;

"(iii) over a period ending not later than 5 years after the date of the entry of the order for relief under section 301, 302, or 303; and

"(iv) in a manner not less favorable than the most favored nonpriority unsecured claim provided for in the plan (other than cash payments made to a class of creditors under section 1122(b)); and"; and

(3) by adding at the end the following:

"(D) with respect to a secured claim which would otherwise meet the description of an unsecured claim of a governmental unit under section 507(a)(8), but for the secured status of that claim, the holder of that claim will receive on account of that claim, cash payments, in the same manner and over the same period, as prescribed in subparagraph (C)."

SEC. 711. AVOIDANCE OF STATUTORY TAX LIENS PROHIBITED.

Section 545(2) of title 11, United States Code, is amended by striking the semicolon

at the end and inserting ", except in any case in which a purchaser is a purchaser described in section 6323 of the Internal Revenue Code of 1986, or in any other similar provision of State or local law;"

SEC. 712. PAYMENT OF TAXES IN THE CONDUCT OF BUSINESS.

(a) PAYMENT OF TAXES REQUIRED.—Section 960 of title 28, United States Code, is amended—

(1) by inserting "(a)" before "Any"; and

(2) by adding at the end the following:

"(b) A tax under subsection (a) shall be paid on or before the due date of the tax under applicable nonbankruptcy law, unless—

"(1) the tax is a property tax secured by a lien against property that is abandoned within a reasonable period of time after the lien attaches by the trustee of a bankruptcy estate under section 554 of title 11; or

"(2) payment of the tax is excused under a specific provision of title 11.

"(c) In a case pending under chapter 7 of title 11, payment of a tax may be deferred until final distribution is made under section 726 of title 11, if—

"(1) the tax was not incurred by a trustee duly appointed under chapter 7 of title 11; or

"(2) before the due date of the tax, an order of the court makes a finding of probable insufficiency of funds of the estate to pay in full the administrative expenses allowed under section 503(b) of title 11 that have the same priority in distribution under section 726(b) of title 11 as the priority of that tax."

(b) PAYMENT OF AD VALOREM TAXES REQUIRED.—Section 503(b)(1)(B)(i) of title 11, United States Code, is amended by inserting "whether secured or unsecured, including property taxes for which liability is in rem, in personam, or both," before "except".

(c) REQUEST FOR PAYMENT OF ADMINISTRATIVE EXPENSE TAXES ELIMINATED.—Section 503(b)(1) of title 11, United States Code, is amended—

(1) in subparagraph (B), by striking "and" at the end;

(2) in subparagraph (C), by adding "and" at the end; and

(3) by adding at the end the following:

"(D) notwithstanding the requirements of subsection (a), a governmental unit shall not be required to file a request for the payment of an expense described in subparagraph (B) or (C), as a condition of its being an allowed administrative expense;"

(d) PAYMENT OF TAXES AND FEES AS SECURED CLAIMS.—Section 506 of title 11, United States Code, is amended—

(1) in subsection (b), by inserting "or State statute" after "agreement"; and

(2) in subsection (c), by inserting ", including the payment of all ad valorem property taxes with respect to the property" before the period at the end.

SEC. 713. TARDILY FILED PRIORITY TAX CLAIMS.

Section 726(a)(1) of title 11, United States Code, is amended by striking "before the date on which the trustee commences distribution under this section;" and inserting the following: "on or before the earlier of—

"(A) the date that is 10 days after the mailing to creditors of the summary of the trustee's final report; or

"(B) the date on which the trustee commences final distribution under this section;"

SEC. 714. INCOME TAX RETURNS PREPARED BY TAX AUTHORITIES.

Section 523(a) of title 11, United States Code, is amended—

(1) in paragraph (1)(B)—

(A) in the matter preceding clause (i), by inserting "or equivalent report or notice," after "a return,";

(B) in clause (i)—

(i) by inserting "or given" after "filed"; and
 (ii) by striking "or" at the end; and
 (C) in clause (ii)—
 (i) by inserting "or given" after "filed"; and

(ii) by inserting ", report, or notice" after "return"; and
 (2) by adding at the end the following flush sentences:

"For purposes of this subsection, the term 'return' means a return that satisfies the requirements of applicable nonbankruptcy law (including applicable filing requirements). Such term includes a return prepared pursuant to section 6020(a) of the Internal Revenue Code of 1986, or similar State or local law, or a written stipulation to a judgment or a final order entered by a nonbankruptcy tribunal, but does not include a return made pursuant to section 6020(b) of the Internal Revenue Code of 1986, or a similar State or local law."

SEC. 715. DISCHARGE OF THE ESTATE'S LIABILITY FOR UNPAID TAXES.

The second sentence of section 505(b) of title 11, United States Code, as amended by section 703 of this Act, is amended by inserting "the estate," after "misrepresentation."

SEC. 716. REQUIREMENT TO FILE TAX RETURNS TO CONFIRM CHAPTER 13 PLANS.

(a) FILING OF PREPETITION TAX RETURNS REQUIRED FOR PLAN CONFIRMATION.—Section 1325(a) of title 11, United States Code, as amended by section 213 of this Act, is amended—

(1) in paragraph (6), by striking "and" at the end;

(2) in paragraph (7), by striking the period at the end and inserting "; and"; and

(3) by inserting after paragraph (7) the following:

"(8) if the debtor has filed all applicable Federal, State, and local tax returns as required by section 1308."

(b) ADDITIONAL TIME PERMITTED FOR FILING TAX RETURNS.—

(1) IN GENERAL.—Chapter 13 of title 11, United States Code, is amended by adding at the end the following:

"§ 1308. Filing of prepetition tax returns

"(a) Not later than the day before the date on which the meeting of the creditors is first scheduled to be held under section 341(a), the debtor shall file with appropriate tax authorities all tax returns for all taxable periods ending during the 4-year period ending on the date of the filing of the petition.

"(b)(1) Subject to paragraph (2), if the tax returns required by subsection (a) have not been filed by the date on which the meeting of creditors is first scheduled to be held under section 341(a), the trustee may hold open that meeting for a reasonable period of time to allow the debtor an additional period of time to file any unfilled returns, but such additional period of time shall not extend beyond—

"(A) for any return that is past due as of the date of the filing of the petition, the date that is 120 days after the date of that meeting; or

"(B) for any return that is not past due as of the date of the filing of the petition, the later of—

"(i) the date that is 120 days after the date of that meeting; or

"(ii) the date on which the return is due under the last automatic extension of time for filing that return to which the debtor is entitled, and for which request is timely made, in accordance with applicable nonbankruptcy law.

"(2) Upon notice and hearing, and order entered before the tolling of any applicable filing period determined under this subsection, if the debtor demonstrates by clear and con-

vincing evidence that the failure to file a return as required under this subsection is attributable to circumstances beyond the control of the debtor, the court may extend the filing period established by the trustee under this subsection for—

"(A) a period of not more than 30 days for returns described in paragraph (1); and

"(B) a period not to extend after the applicable extended due date for a return described in paragraph (2).

"(c) For purposes of this section, the term 'return' includes a return prepared pursuant to section 6020 (a) or (b) of the Internal Revenue Code of 1986, or a similar State or local law, or a written stipulation to a judgment or a final order entered by a nonbankruptcy tribunal."

(2) CONFORMING AMENDMENT.—The table of sections for chapter 13 of title 11, United States Code, is amended by inserting after the item relating to section 1307 the following:

"1308. Filing of prepetition tax returns."

(c) DISMISSAL OR CONVERSION ON FAILURE TO COMPLY.—Section 1307 of title 11, United States Code, is amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d), the following:

"(e) Upon the failure of the debtor to file a tax return under section 1308, on request of a party in interest or the United States trustee and after notice and a hearing, the court shall dismiss a case or convert a case under this chapter to a case under chapter 7 of this title, whichever is in the best interest of the creditors and the estate."

(d) TIMELY FILED CLAIMS.—Section 502(b)(9) of title 11, United States Code, is amended by inserting before the period at the end the following "13, and except that in a case under chapter 13, a claim of a governmental unit for a tax with respect to a return filed under section 1308 shall be timely if the claim is filed on or before the date that is 60 days after the date on which such return was filed as required".

(e) RULES FOR OBJECTIONS TO CLAIMS AND TO CONFIRMATION.—It is the sense of Congress that the Advisory Committee on Bankruptcy Rules of the Judicial Conference should, as soon as practicable after the date of enactment of this Act, propose for adoption amended Federal Rules of Bankruptcy Procedure which provide that—

(1) notwithstanding the provisions of Rule 3015(f), in cases under chapter 13 of title 11, United States Code, an objection to the confirmation of a plan filed by a governmental unit on or before the date that is 60 days after the date on which the debtor files all tax returns required under sections 1308 and 1325(a)(7) of title 11, United States Code, shall be treated for all purposes as if such objection had been timely filed before such confirmation; and

(2) in addition to the provisions of Rule 3007, in a case under chapter 13 of title 11, United States Code, no objection to a tax with respect to which a return is required to be filed under section 1308 of title 11, United States Code, shall be filed until such return has been filed as required.

SEC. 717. STANDARDS FOR TAX DISCLOSURE.

Section 1125(a)(1) of title 11, United States Code, is amended—

(1) by inserting "including a discussion of the potential material Federal tax consequences of the plan to the debtor, any successor to the debtor, and a hypothetical investor typical of the holders of claims or interests in the case," after "records"; and

(2) by striking "a hypothetical reasonable investor typical of holders of claims or interests" and inserting "such a hypothetical investor".

SEC. 718. SETOFF OF TAX REFUNDS.

Section 362(b) of title 11, United States Code, as amended by section 402 of this Act, is amended—

(1) in paragraph (25), by striking "or" at the end;

(2) in paragraph (26), by striking the period at the end and inserting "; or"; and

(3) by inserting after paragraph (26) the following:

"(27) under subsection (a), of the setoff under applicable nonbankruptcy law of an income tax refund, by a governmental unit, with respect to a taxable period that ended before the order for relief against an income tax liability for a taxable period that also ended before the order for relief, except that in any case in which the setoff of an income tax refund is not permitted under applicable nonbankruptcy law because of a pending action to determine the amount or legality of a tax liability, the governmental unit may hold the refund pending the resolution of the action, unless the court, upon motion of the trustee and after notice and hearing, grants the taxing authority adequate protection (within the meaning of section 361) for the secured claim of that authority in the setoff under section 506(a)."

SEC. 719. SPECIAL PROVISIONS RELATED TO THE TREATMENT OF STATE AND LOCAL TAXES.

(a) IN GENERAL.—Section 346 of title 11, United States Code, is amended to read as follows:

"SEC. 346. SPECIAL PROVISIONS RELATED TO THE TREATMENT OF STATE AND LOCAL TAXES.

"(a) Whenever the Internal Revenue Code of 1986 provides that a separate taxable estate or entity is created in a case concerning a debtor under this title, and the income, gain, loss, deductions, and credits of such estate shall be taxed to or claimed by the estate, a separate taxable estate is also created for purposes of any State and local law imposing a tax on or measured by income and such income, gain, loss, deductions, and credits shall be taxed to or claimed by the estate and may not be taxed to or claimed by the debtor. The preceding sentence shall not apply if the case is dismissed. The trustee shall make tax returns of income required under any such State or local law.

"(b) Whenever the Internal Revenue Code of 1986 provides that no separate taxable estate shall be created in a case concerning a debtor under this title, and the income, gain, loss, deductions, and credits of an estate shall be taxed to or claimed by the debtor, such income, gain, loss, deductions, and credits shall be taxed to or claimed by the debtor under a State or local law imposing a tax on or measured by income and may not be taxed to or claimed by the estate. The trustee shall make such tax returns of income of corporations and of partnerships as are required under any State or local law, but with respect to partnerships, shall make said returns only to the extent such returns are also required to be made under such Code. The estate shall be liable for any tax imposed on such corporation or partnership, but not for any tax imposed on partners or members.

"(c) With respect to a partnership or any entity treated as a partnership under a State or local law imposing a tax on or measured by income that is a debtor in a case under this title, any gain or loss resulting from a distribution of property from such partnership, or any distributive share of any income, gain, loss, deduction, or credit of a partner or member that is distributed, or considered distributed, from such partnership, after the commencement of the case, is gain, loss, income, deduction, or credit, as the case may be, of the partner or member,

and if such partner or member is a debtor in a case under this title, shall be subject to tax in accordance with subsection (a) or (b).

"(d) For purposes of any State or local law imposing a tax on or measured by income, the taxable period of a debtor in a case under this title shall terminate only if and to the extent that the taxable period of such debtor terminates under the Internal Revenue Code of 1986.

"(e) The estate in any case described in subsection (a) shall use the same accounting method as the debtor used immediately before the commencement of the case, if such method of accounting complies with applicable nonbankruptcy tax law.

"(f) For purposes of any State or local law imposing a tax on or measured by income, a transfer of property from the debtor to the estate or from the estate to the debtor shall not be treated as a disposition for purposes of any provision assigning tax consequences to a disposition, except to the extent that such transfer is treated as a disposition under the Internal Revenue Code of 1986.

"(g) Whenever a tax is imposed pursuant to a State or local law imposing a tax on or measured by income pursuant to subsection (a) or (b), such tax shall be imposed at rates generally applicable to the same types of entities under such State or local law.

"(h) The trustee shall withhold from any payment of claims for wages, salaries, commissions, dividends, interest, or other payments, or collect, any amount required to be withheld or collected under applicable State or local tax law, and shall pay such withheld or collected amount to the appropriate governmental unit at the time and in the manner required by such tax law, and with the same priority as the claim from which such amount was withheld or collected was paid.

"(i)(1) To the extent that any State or local law imposing a tax on or measured by income provides for the carryover of any tax attribute from one taxable period to a subsequent taxable period, the estate shall succeed to such tax attribute in any case in which such estate is subject to tax under subsection (a).

"(2) After such a case is closed or dismissed, the debtor shall succeed to any tax attribute to which the estate succeeded under paragraph (1) to the extent consistent with the Internal Revenue Code of 1986.

"(3) The estate may carry back any loss or tax attribute to a taxable period of the debtor that ended before the order for relief under this title to the extent that—

"(A) applicable State or local tax law provides for a carryback in the case of the debtor; and

"(B) the same or a similar tax attribute may be carried back by the estate to such a taxable period of the debtor under the Internal Revenue Code of 1986.

"(j)(1) For purposes of any State or local law imposing a tax on or measured by income, income is not realized by the estate, the debtor, or a successor to the debtor by reason of discharge of indebtedness in a case under this title, except to the extent, if any, that such income is subject to tax under the Internal Revenue Code of 1986.

"(2) Whenever the Internal Revenue Code of 1986 provides that the amount excluded from gross income in respect of the discharge of indebtedness in a case under this title shall be applied to reduce the tax attributes of the debtor or the estate, a similar reduction shall be made under any State or local law imposing a tax on or measured by income to the extent such State or local law recognizes such attributes. Such State or local law may also provide for the reduction of other attributes to the extent that the full amount of income from the discharge of indebtedness has not been applied.

"(k)(1) Except as provided in this section and section 505, the time and manner of filing tax returns and the items of income, gain, loss, deduction, and credit of any taxpayer shall be determined under applicable nonbankruptcy law.

"(2) For Federal tax purposes, the provisions of this section are subject to the Internal Revenue Code of 1986 and other applicable Federal nonbankruptcy law."

(b) CONFORMING AMENDMENTS.—

(1) Section 728 of title 11, United States Code, is repealed.

(2) Section 1146 of title 11, United States Code, is amended by striking subsections (a) and (b) and by redesignating subsections (c) and (d) as subsections (a) and (b), respectively.

(3) Section 1231 of title 11, United States Code, is amended by striking subsections (a) and (b) and by redesignating subsections (c) and (d) as subsections (a) and (b), respectively.

SEC. 720. DISMISSAL FOR FAILURE TO TIMELY FILE TAX RETURNS.

Section 521 of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(k)(1) Notwithstanding any other provision of this title, if the debtor fails to file a tax return that becomes due after the commencement of the case or to properly obtain an extension of the due date for filing such return, the taxing authority may request that the court enter an order converting or dismissing the case.

"(2) If the debtor does not file the required return or obtain the extension referred to in paragraph (1) within 90 days after a request is filed by the taxing authority under that paragraph, the court shall convert or dismiss the case, whichever is in the best interests of creditors and the estate."

On page 268, line 13, strike "1231(d)" and insert "1231(b)".

On page 280, strike lines 16 through 19.

AMENDMENT NO. 2768

(Purpose: To prohibit certain retroactive finance charges)

At the appropriate place, insert the following:

SEC. ____ PROHIBITION ON CERTAIN RETROACTIVE FINANCE CHARGES.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

"(h) PROHIBITION ON RETROACTIVE FINANCE CHARGES.—

"(1) IN GENERAL.—In the case of any credit card account under an open end credit plan, if the creditor provides a grace period applicable to any new extension of credit under the account, no finance charge may be imposed subsequent to the grace period with regard to any amount that was paid on or before the end of that grace period.

"(2) DEFINITION.—For purposes of this subsection, the term 'grace period' means a period during which the extension of credit may be repaid, in whole or in part, without incurring a finance charge for the extension of credit."

AMENDMENT NO. 2772, AS MODIFIED

(Purpose: To express the sense of the Senate concerning credit worthiness)

At the appropriate place, insert the following:

The Board of Governors of the Federal Reserve shall report to the Banking Committee of Congress within 6 months of enactment of this act as to whether and how the location of the residence of an applicant for a credit card is considered by financial institutions in deciding whether an applicant should be granted such credit card.

AMENDMENT NO. 2528

(Purpose: To ensure additional expenses and income adjustments associated with protection of the debtor and the debtor's family from domestic violence are included in the debtor's monthly expenses)

On page 7, line 22, insert after the period the following:

"In addition, the debtor's monthly expenses shall include the debtor's reasonably necessary expenses incurred to maintain the safety of the debtor and the family of the debtor from family violence as identified under section 309 of the Family Violence Prevention and Services Act (42 U.S.C. 10408), or other applicable Federal law. The expenses included in the debtor's monthly expenses described in the preceding sentence shall be kept confidential by the court."

AMENDMENT NO. 2664

(Purpose: To exclude employee benefit plan participant contributions and other property from the estate)

On page 124, insert between lines 14 and 15 the following:

SEC. 322. EXCLUDING EMPLOYEE BENEFIT PLAN PARTICIPANT CONTRIBUTIONS AND OTHER PROPERTY FROM THE ESTATE.

(a) IN GENERAL.—Section 541(b) of title 11, United States Code, as amended by section 903 of this Act, is amended—

(1) by striking "or" at the end of paragraph (5);

(2) by redesignating paragraph (6) as paragraph (7); and

(3) by inserting after paragraph (5) the following:

"(6) any amount—

"(A) withheld by an employer from the wages of employees for payment as contributions to—

"(i) an employee benefit plan subject to title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.); or

"(ii) a health insurance plan regulated by State law whether or not subject to such title; or

"(B) received by the employer from employees for payment as contributions to—

"(i) an employee benefit plan subject to title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.); or

"(ii) a health insurance plan regulated by State law whether or not subject to such title;"

(b) APPLICATION OF AMENDMENT.—The amendment made by this section shall not apply to cases commenced under title 11, United States Code, before the expiration of the 180-day period beginning on the date of the enactment of this Act.

AMENDMENT NO. 2665

(Purpose: To clarify the allowance of certain postpetition wages and benefits)

On page 124, insert between lines 14 and 15 the following:

SEC. 322. CLARIFICATION OF POSTPETITION WAGES AND BENEFITS.

Section 503(b)(1)(A) of title 11, United States Code, is amended to read as follows:

"(A) the actual, necessary costs and expenses of preserving the estate, including wages, salaries, or commissions for services rendered after the commencement of the case, and wages and benefits awarded as back pay attributable to any period of time after commencement of the case as a result of the debtor's violation of Federal or State law, without regard to when the original unlawful act occurred or to whether any services were rendered;"

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. I compliment the distinguished Senator from Iowa. He and I and the distinguished Senator from Utah, Mr. HATCH, and the distinguished Senator from New Jersey, Mr. TORRICELLI, have been working to clear amendments throughout the day.

Earlier today we cleared—what?—12, I believe, on this. We just cleared another large number. I mention this because Senators are coming to the floor offering amendments and clearing them. I commend those Senators who have been moving forward.

I also thank the distinguished senior Senator from Connecticut who has withheld his own debate so we could do this.

I thank him for that and yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

AMENDMENT NO. 2532, AS MODIFIED

(Purpose: To provide for greater protection of children, and for other purposes)

Mr. DODD. Mr. President, I call up amendment No. 2532 and ask unanimous consent for its consideration.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DODD. Mr. President, I send a modification to the desk to that amendment.

The PRESIDING OFFICER. Without objection, the amendment will be so modified.

Mr. DODD. Mr. President, for those who are interested in following the amendment process, the modification is purely technical in nature to what I earlier offered. So it is just technical corrections.

Mr. President, I am going to use some charts on this. I call up this amendment, as modified, and ask for its immediate consideration.

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

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD], for himself, Ms. LANDRIEU, and Mr. KENNEDY, proposes an amendment numbered 2532, as modified.

Mr. DODD. Mr. President, I ask unanimous consent further reading of the amendment be dispensed with.

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

The amendment, as modified, is as follows:

On page 7, line 15, strike "(ii)" and insert "(ii)(I)".

On page 7, between lines 21 and 22, insert the following:

"(II) The expenses referred to in subclause (I) shall include—

"(aa) taxes and mandatory withholdings from wages;

"(bb) health care;

"(cc) alimony, child, and spousal support payments;

"(dd) expenses associated with the adoption of a child, including travel expenses, relocation expenses, and medical expenses;

"(ee) legal fees necessary for the debtor's case;

"(ff) child care and the care of elderly or disabled family members;

"(gg) reasonable insurance expenses and pension payments;

"(hh) religious and charitable contributions;

"(ii) educational expenses not to exceed \$10,000 per household;

"(jj) union dues;

"(kk) other expenses necessary for the operation of a business of the debtor or for the debtor's employment;

"(ll) utility expenses and home maintenance expenses for a debtor that owns a home;

"(mm) ownership costs for a motor vehicle, determined in accordance with Internal Revenue Service transportation standards, reduced by any payments on debts secured by the motor vehicle or vehicle lease payments made by the debtor;

"(nn) expenses for children's toys and recreation for children of the debtor;

"(oo) tax credits for earned income determined under section 32 of the Internal Revenue Code of 1986; and

"(pp) miscellaneous and emergency expenses.

On page 83, between lines 4 and 5, insert the following:

SEC. 225. TREATMENT OF TAX REFUNDS AND DOMESTIC SUPPORT OBLIGATIONS.

(a) PROPERTY OF THE ESTATE.—Section 541 of title 11, United States Code, is amended—

(1) in subsection (a)(5)(B) by inserting "except as provided under subsection (b)(7)," before "as a result"; and

(2) in subsection (b)—

(A) in paragraph (4), by striking "or" at the end;

(B) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(C) by inserting after paragraph (5) the following:

"(6) any—

"(A) refund of tax due to the debtor under subtitle A of the Internal Revenue Code of 1986 for any taxable year to the extent that the refund does not exceed the amount of an applicable earned income tax credit allowed under section 32 of such Code for such year; and

"(B) advance payment of an earned income tax credit under section 3507 of the Internal Revenue Code of 1986;

"(7) the right of the debtor to receive alimony, support, or separate maintenance for the debtor or dependent of the debtor;

"(8) refund of a tax due to the debtor under a State earned income tax credit; or

"(9) advance payment of a State earned income tax credit."

(b) PROTECTION OF EARNED INCOME TAX CREDIT AND SUPPORT PAYMENTS UNDER BANKRUPTCY REPAYMENT PLANS IN CHAPTER 12.—Section 1225(b)(2) of title 11, United States Code, as amended by section 218 of this Act, is amended—

(1) by inserting "(A)" before "For purposes";

(2) by striking "(A) for the maintenance" and inserting "(i) for the maintenance";

(3) by striking "(B) if the debtor" and inserting "(ii) if the debtor"; and

(4) by adding at the end the following:

"(B) In determining disposable income the court shall not consider amounts the debtor receives or is entitled to receive from—

"(i) any refund of tax due to the debtor under subtitle A of the Internal Revenue Code of 1986 for any taxable year to the extent that the refund does not exceed the amount of an applicable earned income tax credit allowed by section 32 of the Internal Revenue Code of 1986 for such year;

"(ii) any advance payment for an earned income tax credit described in clause (i); or

"(iii) child support, foster care, or disability payment for the care of a dependent child in accordance with applicable nonbankruptcy law."

(c) PROTECTION OF EARNED INCOME TAX CREDIT AND SUPPORT PAYMENTS UNDER BANKRUPTCY REPAYMENT PLANS IN CHAPTER 13.—Section 1325(b)(2) of title 11, United States Code, as amended by section 218 of this Act, is amended—

(1) by inserting "(A)" before "For purposes";

(2) by striking "(A) for the maintenance" and inserting "(i) for the maintenance";

(3) by striking "(B) if the debtor" and inserting "(ii) if the debtor"; and

(4) by adding at the end the following:

"(B) In determining disposable income the court shall not consider amounts the debtor receives or is entitled to receive from—

"(i) any refund of tax due to the debtor under subtitle A of the Internal Revenue Code of 1986 for any taxable year to the extent that the refund does not exceed the amount of an applicable earned income tax credit allowed by section 32 of the Internal Revenue Code of 1986 for such year;

"(ii) any advance payment for an earned income tax credit described in clause (i); or

"(iii) child support, foster care, or disability payment for the care of a dependent child in accordance with applicable nonbankruptcy law."

(d) EXEMPTIONS.—Section 522(d) of title 11, United States Code, as amended by section 224 of this Act, is amended in paragraph (10)—

(1) in subparagraph (C), by adding "or" after the semicolon;

(2) by striking subparagraph (D); and

(3) by striking "(E)" and inserting "(D)".

On page 92, line 5, strike "personal property" and insert "an item of personal property purchased for more than \$3,000".

On page 93, line 19, strike "property" and insert "an item of personal property purchased for more than \$3,000".

On page 97, line 10, strike "if" and insert "to the extent that".

On page 97, line 10, after "incurred" insert "to purchase that thing of value".

On page 98, line 1, strike "(27A)" and insert (27B)".

On page 107, line 9, strike "and aggregating more than \$250" and insert "for \$400 or more per item or service".

On page 107, line 11, strike "90" and insert "70".

On page 107, line 13, after "dischargeable" insert the following: "if the creditor proves by a preponderance of the evidence at a hearing that the goods or services were not reasonably necessary for the maintenance or support of the debtor".

On page 107, line 15, strike "\$750" and insert "\$1,075".

On page 107, line 17, strike "70" and insert "60".

Beginning on page 109, strike line 21 and all that follows through page 111, line 15, and insert the following:

SEC. 314. HOUSEHOLD GOOD DEFINED.

Section 101 of title 11, United States Code, as amended by section 106(c) of this Act, is amended by inserting before paragraph (27B) the following:

"(27A) 'household goods'—

"(A) includes tangible personal property normally found in or around a residence; and

"(B) does not include motor vehicles used for transportation purposes;"

On page 112, line 6, strike "(except that," and all that follows through "debts)" on line 13.

On page 112, line 19, strike "(2)".

On page 112, line 21, strike "(3)" and insert "(2)".

On page 112, line 24, strike "(4)" and insert "(3)".

On page 113, between lines 3 and 4, insert the following:

(c) EXCEPTIONS TO DISCHARGE.—Section 523 of title 11, United States Code, is amended—

(1) in subsection (c), by inserting "(14A)," after "(6)," each place it appears; and

(2) in subsection (d), by striking "(a)(2)" and inserting "(a) (2) or (14A)".

On page 263, line 8, insert "as amended by section 322 of this Act," after "United States Code,".

On page 263, line 11, strike "(4)" and insert "(5)".

On page 263, line 12, strike "(5)" and insert "(6)".

On page 263, line 13, strike "(6)" and insert "(7)".

On page 263, line 14, strike "(4)" and insert "(5)".

On page 263, line 16, strike "(5)" and insert "(6)".

Mr. DODD. Mr. President, I offer this amendment on behalf of myself and Senator LANDRIEU, Senator KENNEDY, and others who may be interested in joining in this particular effort.

Mr. President, this is an amendment which I would hope would be adopted. I am sorry in a sense it is not being accepted because it goes to the very heart of what many of us have talked about and tried to accomplish over the years, since bankruptcy laws were first modernized and adopted almost a century ago in 1903. This amendment deals with families, with spouses, with child support issues, and where they come in the context of priorities when it comes to discharging responsibilities under the bankruptcy act.

It is no great secret that in 1998, we learned that as much as \$43 billion in child support payments remained uncollected in the United States. It is a staggering sum of money and makes a huge difference to children growing up under adverse circumstances as they are. When you exclude the ability to receive the financial support necessary to make ends meet, the problem becomes even more pronounced.

I raise that because last year this body voted on important legislation that would provide needed reform to our bankruptcy laws, while at the same time ensuring that children and families would remain unhindered in their efforts to collect domestic support from bankrupt debtors.

Since 1903, our Nation's bankruptcy code has been guided by the firm principle that women and children must be first in the distribution line of available assets during bankruptcy proceedings. For almost a century, debt owed to children and families has been nondischargeable. Thus, if a head of household fails financially, whatever remaining assets he has could be used to spare his spouse or ex-spouse and his children from impoverishment. We do this because those who are most vulnerable in our society deserve the most protection.

With this principle in mind, this body recently added another protection for domestic support obligations in bank-

ruptcy. The Bankruptcy Reform Act of 1994 made children and families a priority unsecured creditors. This enabled women and children to receive payments on their claims before other creditors.

Today's bill, the Bankruptcy Reform Act of 1999, would fundamentally alter this delicate balance achieved after almost a century of jurisprudence. We are altering the bankruptcy landscape for the benefit of the credit card industry without understanding what the consequences for families will be.

Women and children will be disproportionately affected by this legislation, unless it is amended. Whether as debtors filing for bankruptcy themselves or as creditors, three quarters of a million women will be affected this year by the bankruptcy system, and it is estimated that as many as 1 million women will be affected in the coming year.

I recognize the precipitous rise in bankruptcies in the last few years. It is a problem that needs to be dealt with. I agree with those of my colleagues who think the law needs to be reformed and tightened up. I also agree with HENRY HYDE, Chairman of the House Judiciary Committee, that it is possible to enact legislation that is highly favorable to the credit card companies and tightens the laws without depriving debtors and their families of reasonably necessary living expenses.

As the legislation is currently drafted, the credit card industry is protected. Unfortunately, families are not, in my view. Maybe that is why all the major family and children advocacy groups presently oppose this bill. Yet with the adoption of the amendment that Senator LANDRIEU and I have offered, we think we can bring substantial support to this bill.

I have serious concerns about the bill, as it is presently drafted, because of its potential harm to children and to families. This bill presents obstacles to families both before, during, and after bankruptcy that leave the alarming potential for family support income to be dissipated and misdirected to credit card companies rather than to the families who need that help.

First, I am greatly concerned about the means test, which requires the trustee in bankruptcy to review all individual Chapter 7 cases for ability to pay debts under a rigid IRS formula devised originally for delinquent taxpayers, now to be applied in bankruptcy proceedings. These standards neither take into account differences in the cost of living from region to region nor do they ascribe rational expenses to individual families. As such, the use of these standards will deprive children and families of reasonably necessary living expenses.

Additionally, because the means test increases the potential for dismissing chapter 7 cases, this bill channels many debtors into 5-year chapter 13 repayment plans, even though we know for a fact two-thirds of such plans fail

today. What will families live on during this time?

I am also concerned about the provisions of the legislation that make certain credit card debt nondischargeable. While the recent family support provisions added to the legislation are positive improvements, they have not cured the problems caused by other provisions of the bill which give greater collection rights to credit card lenders and fewer, in my view, to families and children.

This bill elevates credit card debt to a presumed nondischargeable status. If a debtor purchases items or services on credit from a single creditor within 90 days of bankruptcy and such items exceed \$250 in value, these items would be presumed luxuries. This chart to my right explains it.

Under current law, food, medicine, and clothing equal necessities. Under present law, if the amount is less than \$1,075 per creditor and incurred within 60 days of the bankruptcy petition, then they are protected.

Under the law as presently drafted, without amendment, food, medicine, and clothing are considered luxuries, if the amount is greater than \$250 and incurred within 90 days of the bankruptcy petition. So if you have \$251 of food, medicine, and clothing expense and it is incurred within the last 90 days, then you have to go to court and spend the money to prove these are not luxuries: food, medicine, and clothing.

This point is one I find stunning in its potential implications. Let me emphasize, under current law, food, medicine, and clothing are considered necessities. If the amount is in excess or less than \$1,075 and incurred within 60 days, there is a presumption those are necessities. That is considered, by today's dollars, enough to accommodate a family.

Here we are now saying food, medicine, and clothing, if it is in excess of \$250 within 90 days, that is a luxury. So \$251, you have to go to court. If you are a debtor and you are a woman with a family you are raising on your own, you go to bankruptcy court. You have to come up with the money now to prove because it is a rebuttable presumption that you have to overcome if it is \$251. By the very factor that you are in bankruptcy court, how many resources are you going to have to hire a lawyer to go in and prove that \$251 were necessities and not luxuries. If you are a creditor in this situation, a family, then obviously the problem is also difficult.

If you go to a Kmart and buy clothes for your children, necessities they may need, that is considered a luxury if it is \$251. A judgment could be entered by default, and then the debt survives. If you are a single woman as a creditor, then you must wait until your ex-husband tries or does not try to defend a similar purchase. And if he is unsuccessful, there will be less money for him to pay child support. So on either side of the equation, if you are a

woman raising children on your own, either as a debtor or a creditor, this places tremendous burdens on the family.

If this stays in the bill as is, this is a huge blow to average families. There is no consideration of region of the country. I don't care where you live in the United States. Imagine some parts of the country where \$251 in 90 days, that is 3 months, if you have three children, \$251 is a luxury? You have to go to court and hire a lawyer to prove it wasn't a luxury. We are reforming the bankruptcy laws to try to protect people and families from hardships they can incur? I don't understand this.

If this is sustained in the bill, I urge the President to veto this legislation regardless of what else is here. This would be a huge blow to families to allow this to persist in the legislation.

The bill's proponents will tell us that this is really not the case. Child support is still the No. 1 priority. The reality is that this change will place kids and families first in line for nothing, since such assets are available to support families in less than 1 percent of the cases.

In addition, this change may not place families above lenders if the lenders say their claims are secured by the debtor's property. For the first time, we have allowed these heretofore unsecured creditors to get into the bankruptcy courthouse. Currently, children and family support recipients, taxes, student loans were nondischargeable debts. For the first time in a century the proposed legislation would bring into this unique category these other creditors, i.e. credit card companies, who will make the competition for scarce assets that much fiercer.

These creditors have historically been unsecured because they have received the benefit of high interest. Now they are becoming effectively secured creditors. Most household finance groups secure items of property with agreements. So if you have a television set, the household finance company will have a security interest in the TV obligation, and the company is a secured creditor. The same thing occurs with reaffirmation agreements, and indeed the bill increases the potential for these agreements. Creditors can ask debtors to reaffirm debts of have their property—often of little value—repossessed. These items may be of little value to creditors, but of tremendous value to families, enabling them to continue to survive with the bare necessities. And they too will be elevated into the same sort of status that we have had for children and families, which I think, again, goes beyond anything I think we intended.

With those concerns in mind, the amendment Senator LANDRIEU and I and Senator KENNEDY have offered tries to address these concerns in the bill. Let me address each of the provisions very quickly and turn to my colleague from Louisiana for any further comment she would like to make on this amendment.

First of all, this amendment would modify the means test to provide greater flexibility and reasonableness when calculating the ability to pay. Allowable expenses would include family support, expenses associated with adoption of a child, child care, medical expenses, caring for elderly members of the family, education expenses, and other such critical areas that have been identified as those most families must make. Such expenses should be considered not ignored by the bankruptcy courts.

Second, my amendment will ensure that support payments and other funds intended for the current needs of children do not become the property of the bankruptcy estate with the corollary potential of being distributed to creditors. Money for kids should go to kids, not to creditors.

This amendment will also adopt the House definition of household goods, which enables debtors to keep, during bankruptcy, personal property normally found in and around the home, excluding automobiles. This will ensure that in a bankruptcy children and families are able to keep, without fear of repossession, certain household goods that typically have no resale value, such as toys, swing sets, VCRs, and other items used by parents to help raise their children.

Finally, this amendment will ensure that debtors are not forced into bankruptcy court to seek to prove that food, diapers, school uniforms, toys, and the like are not luxury goods. It would do this by providing that items purchased with a credit card would be nondischargeable only if they were purchased within 70 days, not 90 days, of bankruptcy, have a value of \$400 or more per item, and require the creditor to prove at a hearing that the items were not reasonably necessary for the maintenance and support of the debtor and her dependents—shifting the burden, if you will.

Mr. President, I hope that these efforts will win broad support here as we try to again go back to what we have sustained for almost a century, recognizing the modern world we live in and the needs of families trying to see their way through the difficult period of a bankruptcy, which we are going to make far more difficult now for people to take under this law.

I am not opposed at all to the idea of trying to restrain the proliferation of bankruptcy in the country. But as we are doing that, let's not do so in such a way that it places an undue hardship and burden on families trying to make ends meet and trying to keep themselves together. Let's go back to the notion that, since 1903, the bankruptcy code has protected families.

When it comes to families, and women in particular, who could be so adversely affected by changing the means test here, placing the legal burdens on a family to go out and hire a lawyer to prove that \$251 in goods over 90 days for a family is not a luxury

item—nobody needs to be educated here about who has greater power. Credit card companies have teams of lawyers; they hire them on a permanent basis. But if you are some family out there who has gone through the agony of a bankruptcy, how many lawyers will take on the cases for \$251 and try to prove that some items weren't luxury items? How many lawyers want to take on those cases? How long can you stay in court? How many motions can you argue back and forth? Such families are truly at a disadvantage. I am not talking about the poorest families in America; I am talking about middle income, hard-working families that find themselves in the dreadful position of all of a sudden having to readjust their lives because they have been hit by a financial disaster.

I also know there are people out there who abuse the system, who are scam artists, who game the system and use the bankruptcy laws to take advantage of a situation. I know they exist. I am as angry as anybody else that there are people like that out there. But I also happen to believe that the overwhelming majority of people are not scam artists; they are good people, honest people, and they are trying to keep their families together.

I noted last night that during this wonderful economic time we have been having, the top 20 percent of income earners have enjoyed a 115 percent increase in earning power. The middle 20 percent has had a 9 percent increase. The bottom 20 percent has had an 8 percent decline in earning power. While we all rave about the great economy, for middle income families and less than middle income families the times have still been tough.

These are not evil people. The fact that they end up in a financial mess doesn't mean that their children ought to pay a price for it. If you want to be angry at the parent, don't take it out on a child who was born into a family that may face these kinds of financial crises. To say to them you are not going to be able to have access to basic household goods, things like toys, a VCR, and other basic necessities of raising a family, I think that goes too far. It is overreaching and it is unnecessary and it is harmful, and it hurts people. I don't know of anybody in this Chamber who wants to be a party to that.

For those reasons, Mr. President, the Senator from Louisiana and I, and others have offered this amendment. Hopefully, we can get broad and wide support for it to restore what, for 100 years, was basic policy. Families and children come first. Those who are the most vulnerable deserve the most protection. We ought to see to it in this bill that that fundamental principle is not changed. Whatever else we are doing with this law, children and families still come first in our minds, and we are not going to allow them to be hurt, intentionally or unintentionally, by provisions of this bill, as presently

written, which would do just that. For those reasons, we offer this amendment for the consideration of the Senate and hope our colleagues will support it.

The PRESIDING OFFICER. The Senator from the great State of Louisiana is recognized.

Ms. LANDRIEU. Mr. President, I rise in support of this amendment, which attempts to enhance a bill that is intended to do some good things to stop fraud and abuse. But this amendment attempts to take that bill and make it work for everyone and continue the tradition of protecting our children and our families, which is so important.

I thank the Senator from Connecticut for his great leadership and the way he has articulated this issue so well. Neither one of us is on the committee that considered this piece of legislation. I know there were many good Senators from the Republican side and many good Senators from the Democratic side who have come at this with the right intention—to eliminate fraud and abuse. But I thank him for his leadership because, frankly, without this amendment, this bill falls very short of those good intentions.

We, in Louisiana—I know the people in Kansas are like this, too, and I know the people in Connecticut are like this—believe in paying our debts. We do not like freeloaders. We do not like people who are reckless with their finances, although every now and then sometimes we might be, in small instances or large. We do not like that. It is not a value we hold. We believe in being fiscally responsible. We believe in taking care of your own. We believe in taking care of our debts.

So I certainly want to support a bill that would clamp down on fraud and abuse. If it was a poor person who was using fraud and being abusive of the system, they would certainly have to follow the same rules as a middle-class family or as the wealthiest person in my State. I am not asking, and neither is Senator DODD, for any special privilege for any man or any woman. We do ask for special consideration for children. They are not the ones who are "guilty." But we ask no special provision.

This bill as it is currently written goes much too far. I also join Senator DODD in asking the President, if this amendment is not adopted—and I do not know; it may be I will join him in asking the President to veto this bill because this would be a terrible blow to families, to children, and particularly single parents, many of whom are women but not all. There are some fathers who have custody of their children—one, two, three or four—who would fall under the same draconian terms of this bill.

There is no denying, as I said, that there is need for reform of the current bankruptcy law and practice. However, it is important the final bill accurately reflect the needs of those most affected by bankruptcy. This amendment we

offer does just that. It has four parts. I am going to speak briefly about only one.

Over the past two decades we have witnessed a 400-percent increase in the use of bankruptcy courts in this country. That figure is alarming. That is why we are trying to see what is causing that and trying to offer some solutions. The figures show a rising number of those claiming bankruptcy, however, are single women. In fact, single women comprise the fastest growing group to file bankruptcy, surpassing men and married couples.

In 1999, more than a half-million single women will file for bankruptcy, 10 times the number who filed in 1981. Despite the overwhelming number of women who find themselves in this untenable state of economic instability, S. 625, as written, does not at all reflect the needs of this population of debtors. This amendment simply revises necessary sections of the bill so it is more realistic, more flexible, and more reasonable in dealing with women and their children, single women and their children—sometimes one child, sometimes two, sometimes three, and in a few cases more than that.

Our amendment does not ask that women with children be treated any differently under the law. It simply ensures the standards which apply to all debtors be sensitive to the very different situations which cause a person to file for bankruptcy. So, in our zest to curb the abuse of some, the rights and needs of others should not be ignored.

S. 625, as currently written, makes it significantly easier for credit card debt to be considered nondischargeable, which is necessary in ending fraud and abuse. However, I think this bill inadvertently puts the claim of credit card companies at a distinct advantage over single mothers or single fathers who are trying to claim their child support. In most cases that is going to be a single mother.

I concede the language clearly is written in the bill that states women and children are the "first in priority." The practical reality, as the Senator from Connecticut has pointed out, as it is currently drafted, is they are first in line for nothing. Given their circumstances of bankruptcy and their lack of resources, how would they ever find the money to hire a lawyer or get the professional services they need to compete in this legal, cumbersome, complicated, time-consuming, and actually spirit-breaking system we are attempting to create here.

Let me demonstrate with an example. I think if people can see an example they might understand this. For the purposes of this argument, let's take Doris, who is a divorced mother of three children ranging in age from 3 to 13 years old. She works at a job earning more than minimum wage but not much. Her ex-husband is 5 months behind in child support—not atypical, given the millions and billions of dol-

lars that are owed. If this bill passes, this is what will happen.

In September of this year, she goes to Kmart where she purchases food, clothing, and other essential items for her family totaling \$260. I go to Kmart and Wal-Mart. That is not an unreasonable bill. It is hard to support a family with food and clothing and essentials for much less than that. Actually, I spend more than that in a month. But she spends only \$260, trying to be frugal.

In November, she comes to grips with the reality that her income will not get her through the winter. She files for bankruptcy. Under the bill this Senate is about ready to pass, she is going to have to hire a lawyer and go to court to prove that her Kmart purchases were necessary for her family and were not made in an attempt to defraud the system.

I could not under any circumstances vote for a bill that would ask any of my constituents who live in Louisiana, or any who live in Connecticut or any place, to hire a lawyer to go to court to claim that the orange juice, milk, diapers, cookies, some snacks for school, maybe part of a school uniform, is a luxury item. When they come knocking at my door, saying, Senator, why does the law say this, I am going to say we made a terrible mistake. But I didn't make the mistake because we were on the floor trying to explain this to people. Hopefully, they are listening.

Our amendment makes a simple change to this process. Rather than putting the burden on proving the necessity of the purchase on a single mother who has no money, a lot of heartache, a lot of children to take care of, it just puts the onus on the credit card companies to prove these purchases were unnecessary. As the Senator has pointed out, they already have lawyers; they are a credit card company. They have accountants and lawyers to see, perhaps, if something does look amiss. Perhaps if the charges are quite large, they most certainly should be able to pull them into court and make sure the judge would take the proper action.

Credit card companies, as I said, have these investigators to check fraud. The people in my State of Louisiana, in that situation, I promise you, they do not.

Under our system of justice, a person is innocent until proven guilty. Under S. 625, as it stands right now, a woman is guilty of fraud unless she can prove her innocence. This is not what we want to do. I am positive this is not what this President of the United States wants to support. It is unacceptable. If our amendment does not get on this bill, I am going to vote against it. There may be some other amendments that we need to put on, but this clearly is one.

I thank Senator DODD for his leadership in this piece of legislation and will only add this to this discussion: One of the wonderful things I like about being a Senator is I learn something new

every day. I guess my colleagues here feel that way, and I hope the staff does, because it is one of the most interesting things about this job.

I got, today, the gross monthly income schedule for the IRS. I have never had to file for bankruptcy. I don't think I have ever owed any taxes where I had to go according to this schedule. So this would be the first time I will have seen something like this. I am not a lawyer.

I want to say how surprised I am that our Government would have a schedule that basically says if you make \$830 or less a month, and you owe taxes to the Federal Government, that you get to eat \$170 worth of food. But if you are wealthy and you owe taxes to the Government, you get to eat \$456 worth of food every month.

If you have children, if you have one child who happens to be in diapers, you get to buy \$71 a month at the store. But if you are wealthy and you have a child—not wealthy but you make \$5,000 a month, which would be fairly wealthy—and have one child, you get to buy almost \$350 worth of diapers and apparel or services at the store.

My husband and I have a 2-year-old. I spend more than \$40 a month on diapers alone—diapers. I don't want anyone in my State to have to hire a lawyer to prove that the expenses they have on their credit card to purchase food or clothing or diapers or milk or formula for their children is not a luxury.

I urge Members who might not have ever looked at this schedule that indicates, when you owe taxes, how much you get to keep—it has no mention of children, no educational expenses. I guess the IRS just assumes children

should stop going to school while their parents pay back their taxes.

This is the same schedule I think the Senator from Connecticut has pointed out. I wish I had it blown up because I think people in America would have a hard time believing this.

Mr. DODD. Will my colleague yield?

Ms. LANDRIEU. I will.

Mr. DODD. This is a question for my colleague. The relevance of this is that under the bill as presently written, this is the schedule. This is not interesting subject matter because it is an IRS schedule for tax purposes. This is what has been adopted as part of the bankruptcy bill. So this is your schedule, this is what you know you are going to be limited to; is that correct?

Ms. LANDRIEU. Correct. That is my understanding. Under the current bill, we are adopting an IRS schedule that, in my opinion—and I imagine a majority of people in Louisiana will feel that way—this is an inappropriate schedule for that purpose. It most certainly is an inappropriate schedule for bankruptcy since nowhere on the schedule does it even mention the word "child" or children's needs. It does not mention medicine. It does not mention some of the essential things, as the Senator from Connecticut has pointed out.

Mr. DODD. If my colleague will further yield, nor does it mention any geography distinction. This is a standard price whether you live in Louisiana, Connecticut, California, New York City, Washington, DC—this is the same schedule for every person, regardless of where they live in the country; is that correct?

Ms. LANDRIEU. That is correct. As we know, the cost-of-living escalates and is very different from place to

place and region to region. This chart is quite deficient.

After this debate, I will be looking at ways the IRS should improve their own schedule.

For the purposes of this debate, we most certainly do not want to take a schedule that is flawed for the purposes of collecting taxes and then apply it to a bankruptcy which is an equally difficult situation in which our families find themselves.

In conclusion, I realize there is fraud and abuse, and I will be the first one to step up and vote for a bill that will clamp down on it. No one deserves special privileges, whether they are poor, middle income or wealthy. This bill, as written, goes too far, and we will be sorry if we do not adopt some amendments to fix it and make it more fair. Let us fight hard for our families. Many of them are having a tough time already. Let's not have the children pay the price for us trying to expedite a bill that does not work for them or for their parents. I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. The Senator from Louisiana may want to do this. It is worthwhile. I ask unanimous consent that the IRS schedule be printed in the RECORD so our colleagues have the benefit of looking at the rigidity of this schedule and the paucity of information and items one would normally, reasonably conclude a family might need in order to sustain itself during a period of bankruptcy, such as we suggested.

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

COLLECTION FINANCIAL STANDARDS—CLOTHING AND OTHER ITEMS—IRS

Item	Gross Monthly Income—							
	Less than \$830	\$831 to \$1,249	\$1,250 to \$1,669	\$1,670 to \$2,449	\$2,500 to \$3,329	\$3,330 to \$4,169	\$4,170 to \$5,829	\$5,830 and over
One Person:								
Food	170	198	214	257	270	325	428	456
Housekeeping supplies	18	20	21	26	27	29	35	43
Apparel and services	43	52	75	120	127	129	168	334
Personal care products and services	14	21	23	24	30	37	42	58
Miscellaneous	100	100	100	100	100	100	100	100
Total	345	391	433	527	554	620	773	991
Item	Gross Monthly Income—							
	Less than \$830	\$831 to \$1,249	\$1,250 to \$1,669	\$1,670 to \$2,449	\$2,500 to \$3,329	\$3,330 to \$4,169	\$4,170 to \$5,829	\$5,830 and over
Two Persons:								
Food	228	277	351	365	424	438	515	635
Housekeeping supplies	23	27	28	40	46	51	57	74
Apparel and services	71	72	98	121	128	167	202	335
Personal care products and services	19	24	28	34	46	40	58	66
Miscellaneous	125	125	125	125	125	125	125	125
Total	466	525	630	685	769	830	957	1,235
Item	Gross Monthly Income—							
	Less than \$830	\$831 to \$1,249	\$1,250 to \$1,669	\$1,670 to \$2,449	\$2,500 to \$3,329	\$3,330 to \$4,169	\$4,170 to \$5,829	\$5,830 and over
Three Persons:								
Food	272	326	390	406	444	488	545	737
Housekeeping supplies	24	28	29	42	47	55	58	77
Apparel and services	110	114	134	143	175	205	206	368
Personal care products and services	23	28	34	41	47	50	59	67
Miscellaneous	150	150	150	150	150	150	150	150
Total	579	646	737	781	863	948	1,018	1,393

Item	Gross Monthly Income—						
	Less than \$830	\$831 to \$1,249	\$1,250 to \$1,669	\$1,670 to \$2,499	\$2,500 to \$3,329	\$3,330 to \$4,169	\$4,170 to \$5,829
Four Persons:							
Food	374	376	406	416	472	574	629
Housekeeping supplies	36	37	38	46	49	57	60
Apparel and services	114	145	146	147	179	206	244
Personal care products and services	27	29	35	46	49	51	62
Miscellaneous	175	175	175	175	175	175	175
Total	726	762	800	830	924	1,063	1,170
More Than Four Persons:							
For each additional person, add to four-person total allowance	125	135	145	155	165	175	185

Mr. DODD. Lastly, as I mentioned, virtually all the advocacy groups involved with children and families are in support of this amendment. There is a letter that comes from many of them, including the YWCA, Women Work, Women Employed, Older Women's League, Equal Rights Advocates, who issued a nice letter in support of this.

The Leadership Conference on Civil Rights also has a letter in support of this amendment, along with several other amendments. It specifically mentioned this amendment. I ask unanimous consent both of these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NOVEMBER 5, 1999.

DEAR SENATOR: The undersigned women's and children's organizations write to urge you to support Senator Dodd's amendment to S. 625, the "Bankruptcy Reform Act of 1999," to protect income dedicated to the support of children and families.

S. 625 puts economically vulnerable women and children—those who are forced into bankruptcy, and those who are owed support by men who file for bankruptcy—at greater risk. By increasing the rights of many creditors, including credit card companies, finance companies, auto lenders and others, the bill would set up a competition for scarce resources between parents and children owed child support and commercial creditors both during and after bankruptcy. And single parent facing financial crises—often caused by divorce, nonpayment of support, loss of a job, uninsured medical expenses, or domestic violence—would find it harder to regain their economic stability through the bankruptcy process. The bill would make it harder for these parents to meet the filing requirements; harder, once in bankruptcy, to save their homes, cars, and essential household items; and harder to meet their children's needs after bankruptcy because many more debts would survive.

Senator Dodd's amendment would address several of the problems the bill would create for women and their families.

The means test provision would reduce some of the harsh and arbitrary barriers to accessing the bankruptcy process that are part of S. 625. S. 625 requires that a rigid means test, devised by the IRS for use with delinquent taxpayers, be applied to individuals and families that file for bankruptcy under Chapter 7 liquidation. The test is used to determine whether the debtor can repay some debt and will be forced into a Chapter 13 repayment plan. The Dodd amendment would make the test more reasonable as applied to families with children by including

more family expenditures as allowable expenses, including costs of child care and the care of elderly and disabled family members, health care expenses; spousal and child support payments; expenses associated with adoption; and expenses for children's toys, among others.

The provision on household goods and property of the estate would provide more protection for essential household goods and income intended for the support of children during bankruptcy. In S. 625, only a very limited and specific list of household goods are protected from repossession or threat of repossession: one radio, one television, one VCR per household. Tape players and CD players are not on the list. A personal computer is protected, but only if it is used primarily for minor children; older children who use a computer for research and parents who do some work at home are out of luck. Senator Dodd's amendment, like the household goods provision in the House-passed bill, would allow each situation to be judged on a case-by-case basis, and would allow debtors to keep tangible property normally found in and around a residence.

The provision concerning property of the bankruptcy estate (assets that may be distributed to creditors during the bankruptcy) would ensure that child support payments, and Earned Income Tax Credit refunds available to low-income working families, are not subject to the claims of creditors.

The nondischargeability provision of Senator Dodd's amendment would reduce the competition between credit card companies, and women and children owed support, after bankruptcy. Under current law, child support and alimony are among the few debts that are not dischargeable in bankruptcy. S. 625 would elevate many credit card debts to nondischargeable status. This would increase the competition between credit card companies and women and children owed support after bankruptcy, and make it harder for hard-pressed families with children to get a "fresh start" through the bankruptcy process. S. 625 provides that if a person, within 90 days of bankruptcy, purchases items on a single credit card that total \$250, they are presumed to be nondischargeable. S. 625 does give the debtor the right to show that the charges were for necessities, not for luxuries. But debtors will have to bear the burden and expense of going into court to prove that the \$251 spent over three months for food, and clothing, and school supplies, were not luxuries.

Senator Dodd's nondischargeability provision would provide that credit card purchases would be nondischargeable only if: they are for \$400 or more per item or service; they were made within 70 days of filing; and the creditor proves at a hearing that the items are not reasonably necessary for the maintenance and support of the debtor.

This amendment would not address all of the problems with S. 625. But it would ame-

liorate some of the harshest effects of the legislation on women and their families.

Sincerely,

National Women's Law Center, National Partnership for Women & Families, ACES, Association for Children for Enforcement of Support, American Association of University Women, Business and Professional Women/USA, Center for the Advancement of Public Policy, Coalition of Labor Union Women (CLUW), Equal Rights Advocates, Feminist Majority, National Association of Commissions for Women, National Center for Youth Law, National Organization for Women, Northwest Women's Law Center, NOW Legal Defense and Education Fund, Older Women's League (OWL), Women Employed, Women Work!, YWCA of the USA.

LEADERSHIP CONFERENCE

ON CIVIL RIGHTS,

Washington, DC, November 9, 1999.

Re: The "Bankruptcy Reform Act of 1999".

DEAR SENATOR: On behalf of the Leadership Conference on Civil Rights (LCCR), a coalition of 180 national organizations representing people of color, women children, organized labor, persons with disabilities, older Americans, major religious groups, gays and lesbians and civil liberties and human rights groups, we urge you to oppose S. 625, the "Bankruptcy Reform Act of 1999."

As you know, bankruptcy reform has not been, per se, an issue of traditional concern to the LCCR. However, S. 625 poses significant concerns for the civil rights of all working persons in the United States.

While the LCCR does not support the comprehensive legislation of S. 625, we do support three amendments to the bill. First, we support the "Children and Families amendment," which will be offered jointly by Senators Dodd, Landrieu and Kennedy. Second, we support the "Predatory Lending Amendment," which Senator Durbin will offer. Third, we support the Minimum Wage Amendment which will be offered by Senator Kennedy. Each of these amendments is important to balanced and effective bankruptcy reform; and we strongly urge you to support them.

The "Children and Families Amendment" is designed to ensure that child and spousal support payments and earned income tax credits are not property of the bankruptcy estate. The legislation will replace the current definition of household goods with the House of Representative's definition to allow debtors to keep personal property found in and around the residence. Finally, the amendment will modify the means test to allow more flexibility when there are special expenses related to the care and support of children.

The "Predatory Lending Amendment" is designed to discourage abusive lending practices. The Durbin amendment targets lenders

that violate current Truth in Lending Act standards. The amendment simply says if an individual violates current law they lose their claim in bankruptcy.

The Minimum Wage Amendment is especially important and we strongly urge you to support it. It will help over 12 million Americans—mostly adult workers trying to support their families. By increasing the earnings of workers who are paid hourly from \$5.15 to \$5.65 an hour in 1999 and to \$6.15 in 2000, we will be making it easier for these working families to provide the essentials for their children. Given that bankruptcy is particularly hard on low wage workers, this modest increase in the minimum wage is an especially fair element to any bankruptcy reform measure.

BACKGROUND

As a general matter, every economic discrimination suffered by disadvantaged groups in our society is reflected in the bankruptcy courts. Last year nearly 1.4 million families filed for bankruptcy, a record number. Most of the families that used the bankruptcy system were those middle class Americans who are most vulnerable economically:

SINGLE PARENTS AND THEIR CHILDREN

In 1997, about 300,000 bankruptcy cases involved child support and alimony orders.¹ For about half, women were creditors seeking payments from their ex-husbands following a divorce. In addition, nearly 400,000 women heads-of-households filed for bankruptcy to stabilize their economic conditions. Many dealt with debts incurred during marriage, including debts their ex-husbands had been ordered to pay but for which the wives remained legally responsible when their ex-husbands did not pay. Without bankruptcy, these women would have been forced to choose between spending their now-reduced family incomes on rent, groceries and utilities or on past-due credit card bills.

For women, the cumulative effects of lower wages, reduced access to health insurance, the devastating economic consequences of divorce, and the disproportionate financial strain of rearing children alone is reflected in why women heads of households find themselves in bankruptcy courthouses.

OLDER AMERICANS

About 280,000 Americans aged 50 and older filed for bankruptcy during 1997.² Older Americans are more vulnerable to the consequences of a job loss; someone pushed out of a job at age 54 has a very hard time coming back economically. Medical coverage is limited just as their medical needs increase. Among Americans older than 65, about a third explained that medical bills not covered by Medicare has pushed them to economic collapse. Altogether, more than two-thirds of older Americans attributed their financial problems to uninsured medical bills and job losses.

AFRICAN AMERICAN AND HISPANIC AMERICAN HOMEOWNERS

About 650,000 homeowners filed for bankruptcy last year trying to save their homes.³ For all homeowners, bankruptcy gave them a chance to stabilize economically and focus their incomes on paying their mortgages to save their homes. However, the economic struggle for Hispanic American and African American homeowners is harder than for any other group. While 68% of whites own their own homes, only 44% of African Americans and Hispanic Americans own their own homes. Both African American and Hispanic American families are likely to commit a larger fraction of their take-home pay for

their mortgages, and their homes represent virtually all of their family wealth. It is no surprise, then, that African American and Hispanic American homeowners are *six hundred percent* more likely to seek bankruptcy protection when a period of unemployment or uninsured medical loss puts them at risk for losing their homes.

Industry consultants estimate that credit card companies could cut their bankruptcy losses by more than 50% if they would institute minimal credit screening.⁴ Instead, the credit issuers have spent a reported \$40 million last year on lobbyists and lawyers to urge Congress to become the collection agent for their bad loans—even as their profits reach into the billions of dollars.

We strongly believe that the underlying provisions of S. 625 would disproportionately affect working families and the constituencies that comprise the Leadership Conference on Civil Rights. While the LCCR does not support the overall bankruptcy reform bill, we fully support the "Children and Families Amendment;" the "Predatory Lending Amendment;" and the Minimum Wage Amendment. Each of these amendments is important to balanced and effective bankruptcy reform. We strongly believe that no bill should be enacted that does not include these three amendments that are crucial to the livelihood of all working Americans.

Thank you for consideration of our views. Sincerely,

WADE HENDERSON,
Executive Director.

END NOTES

¹The reported data are from Health and Human Services (support data) and Teresa A. Sullivan, Elizabeth Warren, Jay Lawrence Westbrook, "Bankruptcy and the Family," 21 Marriage and Family Review 193 (Haworth Press 1995).

²Teresa Sullivan, Elizabeth Warren, and Jay Westbrook, "From Golden Years to Bankrupt Years," Norton Bankruptcy Law Adviser 1 (July 1998). Teresa Sullivan, Elizabeth Warren, and Jay Lawrence Westbrook, "Baby Boomers and the Bankruptcy Boom," Norton Bankruptcy Law Adviser 1 (April 1993).

³Teresa Sullivan, Elizabeth Warren, and Jay Westbrook, *The Fragile Middle Class: Americans in Financial Crisis* (forthcoming Yale University Press 1999); Teresa Sullivan, Elizabeth Warren and Jay Westbrook, *As We Forgive Our Debtors: Bankruptcy and Consumers Credit in America 128-144* (Oxford University Press 1989).

⁴August, Fair, Isaac & Co. Released a new/bankruptcy predictor that it says can eliminate 54% of bankruptcy losses by eliminating potential non-payers from the bottom 10% of credit card holders. "Credit Cards: Fight for Bankruptcy Law Reform Masks Truth," 162 Am. Banker 30 (September 8, 1997).

Mr. DODD. Mr. President, I do not know what the schedule is for this. I know we are not going to vote this evening, obviously. I ask unanimous consent that prior to a vote on this amendment the proponents and opponents will have at least a couple of minutes on either side to explain this amendment to our colleagues, since it is a bit complicated. There are pieces to it. Two minutes may not be enough; maybe 3 minutes on a side to explain what is in this amendment prior to the vote, whenever that occurs, Mr. President.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DODD. I know other colleagues want to be heard. I thank the indulgence of my colleagues on the floor for listening to this debate.

Mr. GRAMM. Mr. President, one of the provisions of the bill before the

Senate today would "amend the Federal Reserve Act to broaden the range of discount window loans which may be used as collateral for Federal Reserve notes." This legislation was considered by the House Banking Committee and has been referred to the Senate Banking Committee. It is now being offered as an amendment to the bankruptcy bill to expedite its enactment prior to the adjournment of the Congress.

The currency collateral legislation would expand the field of assets that the Federal Reserve may use to collateralize Federal Reserve notes. All currency in circulation must be backed by specific assets, but much of the collateral that the Federal Reserve accepts for discount window loans is ineligible under current law for use to back the currency. The changes put in place by this legislation will allow the Federal Reserve to apply all eligible discount loan assets to collateralize the currency.

This legislation poses some risks unless adequate safeguards are in place. The Federal Reserve applies a discount to each type of asset used as collateral. Broadening the scope of eligible assets makes it even more imperative that strict and aggressive discounting be applied to any assets used to back U.S. currency. The Federal Reserve should discount aggressively these assets through an objective and clearly defined process that leaves no room for doubt that our currency is fully backed by reliable assets. At the most basic level, when valuing these assets this should be our general rule: when in doubt, discount.

Failure to discount collateral assets aggressively would do more than threaten the safety and soundness of the Federal Reserve's balance sheet; it would threaten the U.S. economy and all economies that rely on a stable dollar. Many countries around the world recently have learned a painful lesson on the value of a sound currency.

We must remember that any country can engage in monetary mismanagement, and most have at some point in time. The United States must avoid that path. With a currency that is considered a stable medium by U.S. citizens and a store of value by both domestic and foreign investors, the Federal Reserve must hold sound money paramount as it implements this important change in currency collateral requirements. It has taken nearly two decades to rebuild the reputation of the dollar after the inflation of the Carter years. Today, "sound as a dollar" has meaning here and all over the world. We must do nothing to undermine it.

Mr. L. CHAFEE. Mr. President, I rise to clarify my two votes today on amendments to the bankruptcy reform legislation to increase the minimum wage by \$1.00, from \$5.15 to \$6.15 per hour. Let me begin by saying that I preferred the approach taken by Senator KENNEDY's amendment to increase the minimum wage in two increments over the next fourteen months.

As my colleagues are aware, an increase in the minimum wage is needed for our Nation's workers. At our current minimum wage of \$5.15 per hour, many of our workers are unable to support themselves and their families. In response to this need, I voted against a motion to table the Kennedy amendment because I believe workers should receive the increase over fourteen months, as opposed to the twenty-nine months proposed in the Domenici amendment. I also preferred the Kennedy approach because the business tax incentives offered in the amendment were fully paid for. On the other hand, the Domenici amendment provided \$75 billion in business tax incentives to be funded by projected budget surpluses which may, or may not, materialize. Nevertheless, to its credit, the Domenici amendment offered provisions related to health insurance deductibility, and the permanent extension of the Work Opportunity Tax Credit—two important legislative items.

It is no secret that our economy is strong. Inflation is low and the economic arguments against raising the minimum wage are attempts not particularly persuasive. In fact, a recent editorial in the Providence Journal stated that "... higher wages often mean greater loyalty and effort on the part of employees. Thus, whatever the increment of a higher minimum wage, that cost could be more than offset by higher revenue and profits from increased productivity and reduced turnover, hiring, and training costs. ... Congress ought to do it."

However, when the Kennedy amendment was tabled, I thought it was important to have, at the very least, some version of a minimum wage package approved by the Senate. Thus, I then voted in favor of the Domenici amendment. Although it is not an ideal package, I am hopeful that an agreement can be reached on a sensible, bipartisan approach to raising the minimum wage once the House passes its own version of the legislation. I urge my colleagues find that common ground, which in the end, will help our economy and our working families. We ought to do it.

Mr. LEVIN. Mr. President, the amendment I will offer requires the Federal Reserve to submit a report to the Senate and House Banking Committees concerning: (1) whether the location of the residence of an applicant for a credit card is considered by a financial institution in determining whether the applicant should be granted such card; and (2) the purposes for which such location is taken into consideration by such institution.

Mr. President, an individual's credit worthiness should be judged on his or her own credit history and not on where that individual happens to live. The stereotyping of consumers based on where they live is a social evil with very negative social consequences. The Congress has been instrumental in formulating legislation that seeks equal

credit opportunity for all. If credit-worthy persons can be rejected on account of his or her place of residence, our work is incomplete. Credit applicants should be considered on the basis of their individualized creditworthiness and not on the basis of place of residence.

Mr. President, this amendment requires that the Federal Reserve report be submitted not later than six months after the date of enactment of this act. I understand that the committee has no obligation to this amendment. I ask unanimous consent that the text of my amendment be printed following my remarks. The amendment is as follows:

SECTION 415

Mr. STEVENS. Mr. President, today I want to discuss a measure that will deal with a problem with the pension limits in section 415 of the Tax Code as they relate to multiemployer pension plans. This is a problem I have been trying to fix for years.

Section 415, as it currently stands, deprives working people of the pensions they deserve. In 1996, Congress addressed part of the problem by relieving public employees from the limits of section 415. It is only proper that Congress does the same for private workers covered by multiemployer plans.

Mr. DOMENICI. How does the current language of section 415 deprive workers of the pensions they earn?

Mr. STEVENS. That is a good question. It is a difficult issue that points to the complexity of the current Tax Code. Section 415 negatively impacts employees who have had various employers. Currently, the pension level is set at the employee's highest consecutive 3-year average salary. With fluctuations in industry, often times employees have up and down years rather than steady increases in their wages. This is especially true for those in the construction industries and other sectors that fluctuate with the local economic conditions. Fluctuations in work and income from year-to-year can skew the 3-year salary average for the employee, resulting in a lower pension when the worker retires.

Mr. DOMENICI. Does the Senior Senator from Alaska have any examples of how section 415 negatively impacts workers in multiemployer plans?

Mr. STEVENS. I thank the Budget Committee chairman for asking about section 415's real impact. An example of section 415's impact illustrates how unfairly the current law treats working people in multiemployer plans. Take, for instance, a woman who held two jobs before retiring. Upon leaving her first job she had accrued a monthly retirement benefit of \$474 per month. In her second job she was employed for 15 years by a local union and her highest annual salary was \$15,600. When she retires she applies for pension benefits from the two plans by which she was covered. She had earned a monthly benefit of \$1,000 from the one plan and combined this with the monthly benefit of \$474 from the second plan for a

total monthly income of \$1,474 or \$17,688 per year. She looked forward to receiving this full amount throughout her retirement. However, the benefits had to be reduced by \$202 per month, or about \$2,400 per year to match her highest annual salary of \$15,600. The so-called "compensation based limit" of section 415 of the Tax Code did not take into account disparate benefits, but intended only to address people with a single employer likely to receive steady increases in salary.

Mr. DOMENICI. Does this affect all retirees with pension plans?

Mr. STEVENS. No. Section 415 treats public employees differently from workers in multiemployer plans. If she had been a public employee covered by a public plan, her pension would not be cut. This is because public pensions plans are not restricted by the compensation-based limit language of section 415. This robs employees in multiemployer plans of the money they have earned simply because they were not public employees.

Mr. DOMENICI. How does the current treatment of section 415 comport with recent efforts to increase pension education and to encourage people to save for retirement?

Mr. STEVENS. We do look for ways to encourage people to save for retirement and we try to educate people of the fact that relying on Social Security alone will not be enough. Yet the law may penalize many private sector employees in multiemployer plans by arbitrarily limiting the amount of pension benefits they can receive. It is wrong, and it should be fixed.

Mr. DOMENICI. How would the proposed changes to section 415 impact the treasury?

Mr. STEVENS. The Joint Committee on Taxation estimated last year that the changes adopted by the Senate on July 30th and included in my proposal would result in a tax expenditure of \$4 million in the first year, \$26 million over 5 years and \$69 million over 10 years. It is a modest price to pay to ensure that people who have worked all their life can get the retirement benefits they are entitled to.

Mr. DOMENICI. This is not a new issue, is it?

Mr. STEVENS. No. It is an issue I have been involved with since the mid-1980's. Since that time we have seen thousands of working people in multiemployer plans retire with benefits below what they actually earned. I co-sponsored S. 1209 with Senator MURKOSWIKI in this session to address the problems of section 415. The provisions of that bill were accepted by the Senate Finance Committee and were included in section 346 of the Taxpayer Refund Act of 1999 passed by the Senate. That provision would have:

(1) Eliminated the application of the 100 percent of compensation defined benefit plan limit for multiemployer plans;

(2) Not allowed multiemployer plans to be aggregated with other plans

maintained by an employer contributing to the multiemployer plan in applying the limits on contributions and benefits except in applying the defined benefit plan dollar limitation;

(3) Applied the special rules for defined benefit plans of governmental employers to multiemployer plans, thus eliminating the high-three-year average limitation; and

(4) Increased reductions of the dollar limit prior to age 62 for defined benefit plans of governmental employers and tax-exempt organizations, qualified Merchant Marine plans and multiemployer plans from \$75,000 to 80 percent of the defined benefit dollar limit.

In addition, measures to relieve the inequity of applying the three year high average had been passed three times prior to the passage of the Taxpayer Refund Act of 1999 by the Senate, most recently in the 1997 Taxpayer Relief Act.

The provisions contained in the Domenici Amendment to the bankruptcy bill would:

(1) Increase the limit for defined benefit plans from \$90,000 to \$160,000;

(2) Increase the limit to be adjusted before the Social Security retirement age from \$90,000 to \$160,000; and

(3) Increase contribution limits from \$30,000 to \$40,000.

While these proposals are important to ensuring retirees get the benefits they deserve, they do not go far enough to create parity between retirees in multiemployer plans and retirees in public plans.

Mr. NICKLES. Note that the Senate Finance Committee approved most of the provisions outlined by Senator STEVENS and later all of the provisions in his proposal were included in the Senate version of the Taxpayer Refund Act of 1999 that passed the Senate on July 30th. The problems for working people in multiemployer plans associated with section 415 concern me and I understand the Budget Chairman will join me in working to secure the provisions described by Senator STEVENS.

Mr. DOMENICI. Yes. The assistant majority leader is correct.

Mr. STEVENS. I thank the distinguished budget chairman and the assistant majority leader.

MORNING BUSINESS

Mr. GORTON. Mr. President, I now ask unanimous consent that there be a period for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each.

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

MICROSOFT FINDINGS OF FACT

Mr. GORTON. Mr. President, it was recently reported that Department of Justice anti-trust chief Joel Klein attended a party to celebrate James Glassman's new book "Dow 36,000." During the party, Mr. Klein, who is prohibited from buying and selling

stocks while he serves in his current post, was overheard saying to the author, "Wow. Dow 36,000—I hope it'll wait until I get out of office." Mr. Glassman reportedly responded that Mr. Klein was already doing his part to keep the Dow down.

Mr. President, I am here to report that not even Joel Klein and the Department of Justice can shake the confidence of investors all across this great land who responded to Judge Jackson's Findings of Fact with a mild yawn. Apparently, investors understand that punishing trail blazing companies that have brought dramatic and positive change to consumers never has been, and never should be, the American way.

Despite the Government's attempts to turn the public against Microsoft, Microsoft continues to be one of the most respected companies in America. A majority of Americans believe Microsoft is right and the Government is wrong in this current lawsuit. In fact, a Gallup poll conducted over the weekend suggested that 67 percent of Americans still have a positive view of Microsoft despite the efforts of the Federal Government.

Judge Jackson made clear early in the case that he shared the administration's desire to punish Microsoft for being too successful. His Findings of Fact do not remotely reflect the phenomenal competition and innovation that is taking place in the high-tech industry every day. Reading the Findings, it is clear that even this judge could not document tangible consumer harm. Judge Jackson's thesis is that Microsoft is a tough competitor and that that toughness must stifle innovation and must harm consumers. But the judge could document no tangible harm * * * and this is why he will be reversed.

When you look at the world around us, whether in the workplace, at home, in schools, you see first-hand how 25 years of innovation in the high-tech industry has empowered and enriched people from all walks of life.

Every family and every community in America has benefited from the information revolution fueled by Microsoft. Sitting on the desktop in every office, school and hospital is a machine that brings power directly to people. Ten years ago only governments and large institutions had the power that so much information and knowledge brings. Today, because of competition among software and Internet businesses, that power runs to people and to families in cities and towns everywhere.

While the trial was going on, the high-tech industry has changed dramatically and reinvented itself a dozen times. Competition is alive and well and consumers are reaping the benefits.

Do the following numbers sound like they come from an industry that is stifled by monopolistic practices?

In 1990, there were 24,000 software companies. Today there are 57,000. And

this growth shows signs of accelerating even further.

The high-tech industry accounts for 8.4 percent of America's GNP and one-third of our economic growth.

This year, the software industry alone will add almost \$20 billion in exports to America's balance of trade.

It is particularly amazing that Judge Jackson found that barriers to entry into the market are too high. Apparently Linus Torvalds didn't get that memo. The 21-year-old student at the University of Helsinki recently disseminated into cyberspace the code for a computer operating system he had written. This experiment has evolved into the Linux operating system, which now has over 15 million users and is supported by such industry heavyweights as IBM, Intel, Hewlett-Packard, Dell, Gateway, Compaq, and Sun Microsystems.

Also fascinating is the fact that the co-founder of Netscape, Marc Andreessen, created the technology for the Netscape web browser when he was a student at the University of Illinois. Four years later, the company he founded sold for \$10 billion. Clearly, anyone with a great new idea can compete in this fast-paced competitive economy.

Although Microsoft is at the center of this fantastic growth that has helped the economy and brought incredible technological advances to consumers, its position as a market leader is not secure. It remains true that anyone, from any background, can by hard work and determination, take on the most successful corporation of the 20th century. As the explosive growth of Linux shows, Microsoft, too, must be allowed to compete, or be relegated to the slow lane of the information superhighway.

The competitive environment in high-tech has never been stronger. Every day new alliances change the face of the industry. America Online has transformed itself into a web, software, and hardware dynamo by purchasing Netscape, forming an alliance with Sun Microsystems, and investing heavily in Gateway. It is competitors like this who are positioned to ensure that vigorous competition, which is a boon to consumers, will lead the way into the 21st century.

Should the Federal Government intervene, our entire economy will suffer. By picking winners and losers, stifling innovation and attempting to regulate through litigation, the Federal Government can do immeasurable harm to an industry it admits it doesn't even understand. Need I remind you that these are the same people who have brought you models of efficiency such as the IRS?

Regardless of the exponential growth and vigorous competition in the high-tech industry, Judge Jackson seems convinced that consumers have been harmed by Microsoft. This he believes despite the testimony of the government's own witness, MIT professor

Franklin Fisher, who when asked whether consumers have been harmed by Microsoft, responded, "On balance, I'd think the answer is no."

Nevertheless, I was stunned when listening to Joel Klein proclaim that the Findings were great news for consumers. When is it good news for consumers to learn that the Federal Government is now running the high-tech industry? When Bill Gates, Scott McNealy (Sun CEO), or the head of a new high-tech start-up want to integrate new products or features into their software they will first have to get clearance from the de facto CEO of high tech, Joel Klein.

Speaking of the Associate Attorney General, if you were watching CNN last Friday evening without the volume on, you would have thought from the looks on their faces that Janet Reno and Joel Klein had just won the POWERBALL lottery or been given \$10 million dollars by Ed McMahon. Mr. President, I repeat—this decision is not good news for consumers. The findings represent a terrible precedent, not only for Microsoft, but for high-tech companies in Silicon Valley, Austin, TX and the Dulles corridor in Virginia. The message is: if you get big, or too successful—you will be punished. The Department of Justice is keeping an eye on you—be careful or you may be next. The capital of the high-tech world isn't in Silicon Valley or Washington State, it's conveniently located within our Department of Justice on Pennsylvania Avenue.

But, Mr. President, I have been a frequent critic of the Department of Justice's attacks against Microsoft and the high tech industry for a long time now. I will continue to ask questions—I will continue to defend the ability of high-tech companies that wish to compete without the threat of government intervention. I will continue to be deeply concerned about how the Department of Justice's action on Friday will jeopardize America's standing as a global leader in the field of technology. The Department of Justice has now invited Microsoft's foreign competitors to use their governments to limit Microsoft's success. Joel Klein has just tilted the balance of power in favor of high tech companies abroad, in effect saying to Microsoft: Slow down and let the rest of the world catch up.

But I am sure many of these same questions and concerns will be raised by Microsoft's own employees next week when they host Vice President GORE on the Redmond campus.

To conclude, I repeat: This case should be dropped because antitrust laws exist to protect consumers—people who buy goods and services. Antitrust laws were not created to protect Microsoft's competitors, but that is what this Justice Department is doing. It is using the power of the Federal Government to punish Microsoft for being too successful in comparison to its competitors.

In the end, I believe, higher Federal courts will throw this case out. The

truth and the correct legal analysis will prevail—Microsoft has not harmed consumers and, thus has not violated our antitrust laws.

EDUCATION

Mr. GORTON. Mr. President, two major debates are taking place in the Congress and in the White House at the present time, two major debates relating to education.

Tomorrow we are likely to take up an amendment to establish the Teacher Empowerment Act. And tomorrow we will almost certainly deal, finally, with the appropriations bill for Labor, Health and Human Services, an appropriations bill that includes billions of dollars for public education in the United States of America.

There is a profound difference between the President of the United States and what I believe is a majority of the Members of both Houses of Congress over how that money on education should be spent. This morning's Washington Post summarizes that argument in quotations from our majority leader, Senator LOTT, and the President of the United States.

Senator LOTT said:

The big issue is, who controls it? Will Washington bureaucrats assert and control where this money is used, or will there be some discretion at the local level, based on what local needs are, whether it's books or computers or training for teachers, or for teachers themselves?

The President of the United States, according to the Washington Post:

... told reporters that the federal money for new teachers does not belong to states and local school districts. "It's not their money," he said.

What arrogance. The money does not belong to President Bill Clinton. This is money that comes out of the pockets of the American people across the United States, money they want to be used on the most effective possible education for their children.

The American people believe very firmly that decisions relating to the education of their children can be made more effectively and more sensitively at home by elected school board members, by superintendents, by principals, by teachers, and by parents than they can be by bureaucracies in the Department of Education in Washington, DC, or even by that national superintendent of public instruction, the President of the United States.

In fact, during the course of this debate over whether or not we should grant more authority to local school districts and to teachers and parents, a number of studies have come out on the question of whether the primary need in education in the United States is more teachers.

One of them comes from my own State from the Joint Legislative Audit and Review Committee, the "K-12 Finance and Student Performance Study." That study, just a little bit earlier this year, stated:

An analysis of 60 well-designed studies found that increased teacher education, teacher experience, and teacher salaries all had a greater impact on student test scores per dollar spent than did lowering the student-teacher ratio. According to one researcher, "Teachers who know a lot about teaching and learning and who work in settings that allow them to know their students well are the critical elements of successful learning." Given limited funds to invest, this research suggests considering efforts to improve teacher access to high quality professional development. A recent national survey of teachers found that many do not feel well prepared to face future teaching challenges, including increasing technological changes and greater diversity in the classroom.

The legislature's approach to funding K-12 education is consistent with the JLARC [Joint Legislative Audit and Review Committee] and national research. The legislature has provided additional funding for teacher salaries, staff development, and smaller classes, with more funding going to support teachers and less for reducing the student-teacher ratio.

In fact, the chart accompanying this study shows that increasing teacher salaries is 4 times more cost efficient than reducing class size, increasing teacher experience is 4.5 times more cost efficient than reducing class size, and increasing teacher education is 5.5 times more cost efficient than reducing class size. Given this information, it is clear that the President of the United States is putting politics ahead of academic achievement for our children.

There is another interesting statement on this subject written in April of this year by Andy Rotherham at the Progressive Policy Institute, an arm of the Democratic Leadership Council. He now, incidentally, works for the President. But he wrote in April:

... President Clinton's \$1.2 billion class-size reduction initiative, passed in 1998, illustrates Washington's obsession with means at the expense of results and also the triumph of symbolism over sound policy. The goal of raising student achievement is reasonable and essential; however, mandating localities do it by reducing class sizes precludes local decision-making and unnecessarily involves Washington in local affairs.

During the debate on the Clinton class-size proposal, it was correctly pointed out that research indicates that teacher quality is a more important variable in student achievement than class size. In fact, this crucial finding was even buried in the U.S. Department of Education's own literature on the issue.

Finally, another quite liberal organization, the Education Trust, agrees that we cannot afford to make schools hire unqualified teachers. Kati Haycock, executive director of the Education Trust, said yesterday:

The last thing American children need—especially low-income children—is more under-qualified teachers. If the White House hopes to ensure that the Class Size Reduction program will boost student achievement, it should accept the Congressional Republicans' proposal that would allow only fully qualified teachers to be hired with these funds.

Teacher quality matters, and it matters a lot. Highly qualified teachers can help all students make significant achievement gains, while ineffective teachers can do great

and lasting damage to students. The difference between an effective teacher and an ineffective teacher can be as much as a full grade level's worth of academic achievement in a single year. That—for many students—can make the difference between an assignment to the "honors/college prep track" and an assignment to the remedial track. And that assignment can be the difference between entry into a selective college and a lifetime at McDonald's.

Yes, small classes matter, but good teaching matters more. Our kids can have it all—smaller classes and better teachers. But first, the adults in Washington need to put aside the partisan bickering and remember what really matters—the best interests of American students.

This is exactly what we are trying to do. It is what we are trying to do in this last great appropriations bill: Saying yes, more teachers is a very important priority, but school districts ought to be able to decide that perhaps teacher training is even more important than that, or perhaps there is another higher education priority in their schools, in their communities, in their States.

Tomorrow, when we debate whether or not to add to this bill the Teacher Empowerment Act, we will be doing exactly the same thing, saying we in this body in Washington, DC, do not know all the answers, that there is not one answer for 17,000 school districts across the country; and we ought to trust the people who are spending their lives educating our children.

This is a vitally important debate, and one that the children can only win if we grant flexibility to those who are providing them with that education.

SENATOR LUGAR'S 9,000TH VOTE

Mr. LOTT. Mr. President, I bring to the attention of the Senate that today the senior Senator from Indiana cast his 9,000th vote as a Member of this body.

Throughout his career, Senator LUGAR has compiled a 98 percent voting attendance record. He did not miss a single vote during the entire 105th Congress. Along with our colleagues from Maryland, Senator SARBANES, and Utah, Senator HATCH, Senator LUGAR stands next in line to join the Senate's 10,000 vote club. A mark reached by only 21 Senators in history.

Many of you know of Senator LUGAR's passion for long-distance running. On occasion, a vote has been called while he was on one of his late afternoon runs on the Mall. Senators are not surprised when they encounter their colleague from Indiana in running shoes after double-timing back to the Senate Chamber for the vote. Casting 9,000 Senate votes is a fitting accomplishment for a long-distance runner who already stands as the longest-serving U.S. Senator in Indiana's history.

I am honored to have the opportunity to work with Senator LUGAR and pleased to recognize him on this historic milestone.

THE SATELLITE HOME VIEWER ACT

Mr. GRAMM. Mr. President, I rise to speak for a moment about another subject. I do not want to interfere with this important debate, but I think the subject I want to speak about is important in its own right. I want to put my colleagues and the public on notice about what is happening.

Probably we have all received more telephone calls and more letters on the so-called Satellite Home Viewer Act than any issue we have dealt with in this Congress. This is an issue that flows from the fact that people who have satellite dishes, especially people who live in the country, want to have access to their nearest television station. It is something we all understand. For those of us who live in the country, it is something we want.

The House of Representatives adopted a very good bill that would allow negotiations between satellites and local television stations with a goal of bringing the local television station into every living room and den in America. This would be a great boon to people who have satellite dishes in rural areas.

That bill was adopted in the House 422 to 1 on April 27. On May 20, the Senate unanimously adopted a similar bill. These bills are very strongly supported. We are all getting hundreds of telephone calls in support of them. They do what each caller wants, and that is make it possible for people, especially in rural areas, who have satellite dishes to get the news and the weather from the local station, however far away that may be.

The problem is, for some unexplainable reason—at least unexplainable to logic—in the conference, rather than adopting the House bill or the Senate bill or something in between, the conferees apparently decided that not every problem in the world was solved, and therefore in an effort to try to solve problems which were not part of either bill, they decided to put the American taxpayer on the hook for a \$1.25 billion loan guarantee.

I want to make it clear. This loan guarantee was not part of the Senate bill for which we voted unanimously. It was not part of the House bill that passed 422 to 1. It was produced out of whole cloth in conference when the basic idea was there are additional problems that might be dealt with, so as a result, we want to simply add \$1.25 billion.

When you approach the people who added it, you get the idea this is somehow for small business. But when you read their bill, one of the loans can be as large as \$625 million. The two obvious beneficiaries are two companies, one of which saw its equity value go up 4½ times the rate of the growth of the Dow Industrial Index over the last 12 months; the other one saw its equity value go up 49 times as fast as Dow did in the last 12 months.

You might wonder why these two extraordinarily successful businesses with an explosion in their equity value, as measured by the value of common stock, suddenly need the taxpayer to come forth and sign a loan guarantee of \$1.25 billion to get to the bottom line. I am for the satellite bill. I voted for it in the Senate. I would like to see it passed. I think it is an important piece of legislation. But I am adamantly opposed to Members of the House and the Senate simply deciding to put the taxpayer on the hook for \$1.25 billion, with a provision that was in neither the House bill or Senate bill, a provision that cannot be justified by any logic whatsoever.

I want to make it clear if that bill comes to the floor of the Senate and it has that loan guarantee in there obligating the American taxpayer for \$1.25 billion, money that was not in the House bill, was not in the Senate bill, I intend to object to its consideration, and it will not become law in this millennium.

I cannot speak beyond this thousand years. But I can assure you that under the rules of the Senate, it will not become law before the turn of the new millennium, if then.

One of the authors of this provision, referring to me, said:

I don't think anybody would want to have the reputation of having cost millions of Americans the loss of their network signal, so I don't anticipate problems on either floor.

My response to our colleague in the House is: Anticipate problems on the floor of the Senate. And if anyone is endangering the ability of Americans to get the local television signal, it is not me; it is those who have added a \$1.25 billion loan guarantee in this bill.

I know there are going to be a lot of people calling my office and others. Here is my message: If you are for the satellite bill, if you want to be able to get your local television station, don't bother calling me. Call the people who want to add to a conference report this \$1.25 billion giveaway which was not voted on in either House of Congress, and say to them: Quit trying to give my money away and give me my local television signal.

I am not going to let this bill be adopted this year with that \$1.25 billion giveaway in it. It is not too late. The conferees can come to their senses and take this provision out. It was not in either bill. It should not have been there to begin with. We can have the satellite bill passed by the end of tomorrow's business. But if it is not taken out, it is not going to be adopted. I wanted to come over and make that clear so everybody would know exactly where we are. If you want this bill, insist the \$1.25 billion giveaway be taken out of it. We have the ability and we should make it possible for people in the country to get the adjacent cities' TV stations. I am for that. I am a direct beneficiary of it. Many of the people I care about are.

But the idea we are talking about giving away \$1.25 billion in loan guarantees to some of the most well-off companies in America as a rider on this bill is the kind of outrageous legislative action that has to be stopped. If they think because the underlying bill is so popular that everybody is just going to turn the other way and let this \$1.25 billion giveaway occur, they are wrong. I do not intend to do that. It is not going to pass the Senate unless they take it out.

I yield the floor.

ORGAN DONATION REGULATORY RELIEF ACT

Mr. TORRICELLI. Mr. President, I rise today to address a potential crisis in our nation's system of organ donation. Last year, the U.S. Department of Health and Human Services (HHS) proposed regulations that would have had devastating effects on community-based transplant programs by prohibiting states from offering organs to their own sickest residents before making them available nationwide. In response to the overwhelming concerns of patients and health care professionals nationwide, Congress delayed the implementation of the regulations and commissioned a study by the Institute of Medicine to examine the impact of the regulations on the nation's current system.

The study drew several conclusions which demonstrate how the current system is effective and why the proposed regulations are misguided. For example, the study found that the current system of organ transplantation is reasonably equitable and effective for the sickest patients. It also found that the proposed regulations would increase the overall cost of transplantation in the U.S. Perhaps most important, the study found that the current system does not discriminate because of race or any other factors and that the waiting list for an organ transplant are treated fairly.

These conclusions support the long-held concerns of the organ transplant community that the regulations, which would direct the United Network for Organ Sharing (UNOS) to develop a system which removes geography as a factor in organ donation, may actually increase waiting times in states, like New Jersey, with efficient systems.

These unintended consequences will be felt most greatly among patients with disadvantaged backgrounds. In New Jersey, we are extremely fortunate to have a system that is fair and efficient. New Jersey's unique system of certificate of need and charity care ensures that the most critical patients get organs first regardless of insurance. A national organ donation system will force the smaller transplant centers that serve the uninsured and underinsured to close as the vast majority of organs go to the handful of the nation's largest transplant centers with the longest waiting lists. Without access to

smaller programs, many patients will be faced with the hardship of registering with out-of-state programs that may turn them away due to lack of insurance. Those who are accepted will be forced to travel out of state at great medical risk and financial hardship.

In light of these concerns, the conferees of the FY 2000 Labor, Health, and Human Services, and Education bill included language extending the moratorium on the regulations for a period of three months. While this is a very positive step, I am concerned that this moratorium would not provide sufficient time for Congress to consider this issue as part of the debate on the reauthorization of the National Organ Transplant Act.

I am pleased to join my colleagues Senators SESSIONS, HUTCHINSON, WARNER, MACK, SHELBY, NICKLES, INHOFE, THURMOND, ASHCROFT, MCCONNELL, ROBERTS, KOHL, FEINGOLD, CLELAND, HOLLINGS, BREAUX, GRAHAM, COLLINS, GRAMS, LAUTENBERG, ENZI, MURSKOWSKI, GORTON, LANDRIEU, ROBB, and LINCOLN to introduce the Organ Donation Regulatory Relief Act of 1999.

This bipartisan legislation will delay the Secretary's ability to issue regulations regarding the nation's organ donation system until Congress considers the complex issues surrounding organ procurement and allocation as part of the reauthorization of the National Organ Transplant Act.

For the past 15 years, the national organ procurement and allocation system has existed without federal regulation. During this time, each State has developed a unique system to meet their individual needs. Many states, such as New Jersey, have focused on serving uninsured and underprivileged populations. Clearly improvements can be made to increase the efficiency and effectiveness of organ donation nationwide. The legislation will ensure Congress has ample time to consider these important issues prior to allowing the implementation of far-reaching regulations that will revamp the system.

FOREST FIRES IN EASTERN MONTANA

Mr. BURNS. Mr. President, when a hurricane engulfs the Eastern seaboard or an earthquake shatters the lives of Californians, we reach out with compassion to those people who are affected. America's hearts and minds always turn to those who are adversely impacted by these events.

I bring to your attention a devastating natural disaster that recently struck the Eastern portion of my home State, Montana. On Halloween night, it seems as if Mother Nature played a frightening trick on many rural Montanans. A storm below out of the Rocky Mountains and onto the plains of the short grass prairie with winds in excess of 70 miles per hour.

These violent winds stoked several prairie fires. The wild fires imme-

diately became uncontrolled infernos as they are driven along by the gusts, in some cases the wall of flames spanning many miles.

The tiny town of Outlook, MT, was evacuated in the face of this unmanageable fire. Unfortunately, the town itself was laid to waste in the wake of the flames. Thankfully, due to the early evacuation and quick response of the authorities, no lives were lost.

Two hundred and fifty miles south of Outlook another town was facing the same fate. The rural community of Ekalaka was also under evacuation orders. A different fire of the same magnitude was moving toward town as it was swept ahead of the horrific winds. This fire spared the community but still left ruin in its wake. It is estimated that ten to twenty sections of good winter grazing land has been destroyed along with miles of fences and corrals. That is between 6,400 and 12,800 acres that producers will not be able to use for winter feed. The increased costs of buying hay to feed livestock will put a great burden on ranchers already experiencing financial hardship within their industry.

Not only were these two communities impacted, there were several other communities in Eastern Montana that sustained damage due to fires. I offer my sincere gratitude to all of those who worked so diligently to fight these fires and save property and lives.

We now have Montanans facing the onset of winter, homeless, without the security of their places of business, and agricultural producers, without feed for their livestock. Just as we unite together for those who are struck by other natural disasters, I hope that you will join with me in support of these Montanans, who lost not only their homes but their livelihoods.

Entire communities have been adversely affected by this unforeseen emergency and I will be watching closely to see that these folks receive the aid needed to rebuild their lives. Montanans have suffered great losses no less devastating than the hurricanes on the East Coast and they too deserve a helping hand in their time of need.

My thoughts and prayers go out to each and every individual whose lives are in disarray due to this sudden tragedy.

COST ESTIMATE ON EXPORT ADMINISTRATION ACT

Mr. GRAMM. Mr. President, I ask unanimous consent that a cost estimate on the Export Administration Act of 1999, prepared by the Congressional Budget Office, be printed in the CONGRESSIONAL RECORD.

There being no objection, the cover letter and estimate were ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 3, 1999.

Hon. PHIL GRAMM,
Chairman, Committee on Banking, Housing,
and Urban Affairs, U.S. Senate, Wash-
ington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1712, the Export Administration Act of 1999.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Mark Hadley (for federal costs), Hester Grippando (for governmental receipts), Shelley Finlayson (for the state and local impact), and Patrice Gordon (for the private-sector impact).

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

S. 1712—Export Administration Act of 1999

Summary: The bill would replace the expired Export Administration Act (EAA), thereby updating the system for applying export controls on American business for national security or foreign policy purposes. Since the expiration of the EAA in 1994, the President has extended export controls pursuant to his authority under the International Emergency Economic Powers Act. The Bureau of Export Administration (BXA) in the Department of Commerce administers export controls. The bill also would prohibit participation in boycotts imposed by a foreign country against a country that is friendly to the United States, and would preempt state laws pertaining to participation in such a boycott.

CBO estimates that funding the Department of Commerce to carry out the bill would cost \$255 million over the 2000–2004 period if funding is maintained at the 1999 level or \$280 million if funding is increased each year for anticipated inflation. Because the bill would increase penalties for violations of export controls, CBO estimates governmental receipts would increase by \$18 million over the 2000–2004 period. CBO estimates that half that amount would be spent from the Crime Victims Fund, and BXA would pay informants about \$500,000 a year. Because the bill would affect direct spending and receipts, pay-as-you-go procedures would apply.

Section 4 of the Unfunded Mandates Reform Act (UMRA) excludes from the application of that act any legislative provisions that are necessary for the national security. CBO has determined that several provisions of S. 1712 fall within that exclusion. One section of the bill that does not fall within that exclusion contains an intergovernmental mandate as defined in UMRA, but CBO estimates that the costs of this mandate would not be significant and would not exceed the threshold established in that act (\$50 million in 1996, adjusted annually for inflation). Provisions of the bill that are not excluded from the application of UMRA also contain private-sector mandates. CBO estimates that the direct costs of those mandates would be

below the threshold established in UMRA (\$100 million in 1996, adjusted annually for inflation).

Estimated cost to the Federal Government: The estimated budgetary impact of the bill is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit).

By fiscal years, in millions of dollars—						
	1999	2000	2001	2002	2003	2004
CHANGE IN REVENUES AND DIRECT SPENDING						
Estimated Revenues	0	0	0	6	6	6
Estimated Budget Authority ..	0	0	0	1	4	4
Estimated Outlays	0	0	0	1	4	4
SPENDING SUBJECT TO APPROPRIATION						
EAA Spending Under Current Law by the Bureau of Export Administration:						
Budget Authority ¹	44	0	0	0	0	0
Estimated Outlays	43	6	2	0	0	0
Proposed Changes:						
Estimated Authorization Level ²	0	59	56	57	59	61
Estimated Outlays	0	50	53	57	59	61
EAA Spending H.R. 973 by the Bureau of Export Administration:						
Estimated Authorization Level ¹	44	59	56	57	59	61
Estimated Outlays	43	56	55	57	59	61

¹The 1999 level is the amount appropriated for that year. BXA has not yet received a full-year appropriation for 2000.

²The estimated authorization levels include annual adjustments to cover anticipated inflation, resulting in an estimated cost of \$280 million over the next five years. Alternatively, if funding is not increased to cover anticipated inflation, the cost would be \$255 million over the 2000–2004 period.

Basics of estimate: S. 1712 would authorize the BXA to control the export of certain items from the United States for national security or foreign policy purposes. Generally, export controls would not apply to products that are mass-market items or available from foreign sources at a comparable price and quality. Under the bill, exporters who are executing existing contracts that involve items which are prohibited from being exported for foreign policy reasons would be allowed to fulfill such contracts. CBO estimates that provisions of the Export Administration Act of 1999 would increase revenues by about \$6 million a year beginning in fiscal year 2002 and direct spending by about \$1 million in 2002 and \$4 million a year thereafter. In addition, we estimate that implementing the bill would cost \$280 million over the 2000–2004 period, assuming appropriation of the necessary amounts.

Revenues

Since the expiration of the EAA in 1994, criminal and civil penalties for violating export control laws have been collected under the Economic Emergency Powers Act. The bill would transfer the authority to levy fines back to the EAA and would significantly raise the maximum criminal fines that could be imposed—up to \$10 million for corporations or \$1 million for individuals—for violation of export controls. Under the bill, civil penalties of up to \$1 million could also be imposed for violations of the law. On average, about two years elapse between the initial investigation of violations of export control law and the collection of a penalty. Fines are based on the law in force at the start of an investigation. CBO does not ex-

pect penalties under the new law to be collected until fiscal year 2002. Based on information from the Department of Commerce, CBO estimates that enacting the bill would increase receipts from penalties by \$6 million a year beginning in 2002.

Direct spending

Collections of criminal fines are recorded in the budget as government receipts (i.e., revenues), which are deposited in the Crime Victims Fund and spent in subsequent years. We estimate half of the increase in governmental receipts attributable to this bill (\$3 million a year), would be for criminal fines. Thus, the additional direct spending for this provision of the bill also would be about \$3 million a year beginning in 2003, because spending from the Crime Victims Fund lags behind collections by about a year.

Under current law, BXA pays informants negligible amounts each year for leads on possible violations of export control law. The bill would allow BXA to pay informants the lesser of \$250,000 or 25 percent of the value of fines recovered under the act as a result of the information provided. This provision would greatly expand the authority to pay informants. Based on information from BXA, CBO estimates that the bureau would pay informants about \$500,000 a year, starting in 2002.

Spending subject to appropriation

BXA is responsible for implementing the EAA. Based on information from the Department of Commerce, CBO estimates that BXA's budget for this work was about \$44 million in 1999, and about \$45 million would be needed in 2000 to continue this work. S. 1712 would authorize the appropriation of such sums as may be necessary to continue this work, to hire 20 employees to establish a best practices program for exporters, to hire 10 overseas investigators, and to procure a computer system for export licensing and enforcement. Based on information from BXA, CBO estimates that implementing a best practices program for exporters would cost about \$4 million a year, stationing overseas investigators would cost about \$5 million a year, and procuring the computer system would cost about \$5 million in 2000. Any such spending would be subject to appropriation of the necessary amounts. Assuming historical spending patterns and allowing for cost increases to cover anticipated inflation, CBO estimates that implementing the bill would cost \$280 million over the 2000–2004 period.

Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act sets pay-as-you-go procedures for legislation affecting direct spending or receipts. The net changes in outlays and governmental receipts that are subject to pay-as-you-go procedures are shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects in the budget year and the succeeding four years are counted.

By fiscal years, in millions of dollars—										
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Changes in outlays	0	0	1	4	4	4	4	4	4	4
Changes in receipts	0	0	6	6	6	6	6	6	6	6

Estimated impact on state, local, and tribal governments: Section 4 of the Unfunded Mandates Reform Act excludes from the application of that act legislative provisions that are necessary for the national security. CBO has determined that several provisions

of S. 1712 fall within that exclusion. One section of the bill that does not fall within that exclusion contains an intergovernmental mandate as defined in UMRA. That section would preempt a state or local government's ability to participate in, comply with, imple-

ment, or furnish information regarding restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries. Because state and local governments would not be required to take any

action, however, CBO estimates that the cost of this preemption would be insignificant.

Estimated impact on the private sector: Section 4 of UMRA excludes from the application of that act legislative provisions that are necessary for the national security. CBO has determined that several provisions of S. 1712 fall within that exclusion. Provisions of the bill that do not fall within that exclusion contain private-sector mandates as defined in UMRA.

By replacing the expired Export Administration Act, the bill would impose private-sector mandates on exporters of items controlled for foreign policy purposes. (At the same time the bill would put into place certain new procedural disciplines on the President in the implementation of such controls.) In addition, S. 1712 would impose a mandate by prohibiting anyone, with respect to that person's activities in the interstate or foreign commerce of the United States, from participating in boycotts imposed by a foreign country against a country that is on good terms with the United States.

The bill also would make changes in the system of foreign policy export controls that would lower costs to the private sector of complying with requirements under that system. In particular, S. 1712 would restrict the use of foreign policy export controls on agricultural commodities, medicine, or medical supplies. According to information provided by several government and industry sources, the nonexcluded provisions of the bill would largely either codify current policies with respect to export controls or make reforms that could reduce requirements on exporters of controlled (and de-controlled) items. Thus, CBO expects that the direct costs of complying with private-sector mandates in the bill would fall well below the statutory threshold established in UMRA (\$100 million in 1996, adjusted annually for inflation).

Estimate prepared by: Federal Costs: Mark Hadley. Federal Receipts: Hester Grippando. Impact on State, Local, and Tribal Governments: Shelley Finlayson. Impact on the Private Sector: Patrice Gordon.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

HATE CRIME VIOLENCE

Mrs. FEINSTEIN. Mr. President, a few weeks ago, I met with Alan Stepakoff, the father of six-year old Joshua, who was among five victims—three children ages 5 and 6; one 16-year old teenager and a 68-year old adult—gunned down at a Los Angeles Jewish community center last August by Buford Furrow, Jr., a white supremacist. Fortunately, the son and the four other victims survived the shooting and are on their way to recovery. Unfortunately, within minutes of this tragic shooting, the Nation learned that the same assailant had murdered in cold blood U.S. Postal Service carrier Joseph Iletto, a Filipino American, on account of his race.

This episode is but one of a growing list of hate crimes targeting places once believed to be safe havens—including schools, synagogues, churches, community centers. This incident is a grim reminder of how hate can provoke violence against the young and innocent. Unless we address this hatred and violence in our communities immediately and unequivocally, the list of such horrific events will certainly grow.

We have before us legislation that would address this growing blight on our society: the Hate Crimes Prevention Act of 1999. This important legislation was introduced by my colleague Senator KENNEDY and adopted by the Senate as part of Fiscal Year 2000 Commerce, Justice, State Appropriations Act.

Unfortunately, the measure was stripped from the first Commerce, Justice, State appropriations bill presented to the President. I urge my colleagues to insist on this provision's inclusion in the next such bill.

This legislation is urgently needed to compensate for two limitations in the current law. First, even in the most blatant cases of racial, ethnic, or religious violence, no federal jurisdiction exists unless the victim was targeted while exercising one of six federally protected activities—attending a public school or college; participating in a service or program sponsored by a state or local government; applying for or engaging in employment; serving as juror in a state court; traveling or using a facility of interstate commerce; and enjoying the goods or services of certain places of public accommodation.

These limitations have led to acquittals in several of the cases in which the Department of Justice has determined a need to assert federal jurisdiction and has limited the ability of federal law enforcement officials to work with state and local officials in the investigation and prosecution of many incidents of brutal, hate-motivated violence.

A second limitation in current law is that it provides no coverage whatsoever for violent hate crimes committed because of bias based on the victim's sexual orientation, gender or disability. As a result, federal authorities cannot prosecute individuals who commit violent crimes against others based on these characteristics. This is especially disturbing given the fact that according to the FBI, crimes against gays, lesbians and bisexuals ranked third in reported hate crimes in 1998, registering 1,260 or 15.6 percent of all reported incidents. Unfortunately, there are those who would stop short of supporting this important legislation because it extends protections to those targeted on account of their sexual orientation.

The hate crimes legislation introduced this year would remedy would expand the legislation I authored in 1994, which provided a bifurcated trial and enhanced penalties for felonies spawned by hate that took place either on federal land or in pursuance of a federally protected right (such as voting or attending a public school).

The Hate Crimes Protection Act broadens federal jurisdiction to cover all violent crimes motivated by racial or religious hatred, regardless of whether the victim was exercising a federally protected right. It would also include sexual orientation, gender and

disability to the list of protected categories within current federal hate crime law, provided there is a sufficient connection with interstate commerce.

At the same time, federal involvement would only come into play if the Attorney General certifies that federal prosecution is necessary to secure substantial justice. In recent years, the existing federal hate crimes law has been used only in carefully selected cases where the state criminal justice system did not achieve a just result.

For many years I have been deeply concerned about hate crimes and the immeasurable impact they have on victims, their families and our communities. As I have previously mentioned, in 1993 I sponsored the Hate Crimes Sentencing Enhancement Act, which was signed into law in 1994 as a part of the Violent Crime Control and Law Enforcement Act of 1994. Today, I believe the Hate Crimes legislation will build on this effort by modifying the current laws to allow the federal government to provide the vital assistance to states in investigating of crimes of this magnitude.

Sadly, hate crimes are becoming too commonplace in America. According to the U.S. Department of Justice, in 1998, 7,775 hate crime incidents were reported in the United States and 9,722 victims. Of that total, 4,321 or 58 percent of the crimes were committed on account of the victim's race. More than 3,660 victims of anti-Black crimes; 1,003 victims of anti-White crimes; 620 victims of anti-Hispanic crimes; and 372 victims of anti-Asian/Pacific Islander crimes.

In that same year, 1,390 or roughly 16.0 percent of the victims were targeted because of their religious affiliation. The number of anti-Jewish incidents is second only to those against blacks and far exceeds offenses against all other religious groups combined. Moreover, while by most accounts anti-Semitism in America has declined dramatically over the years, the level of violence is escalating.

Civil rights groups as well as federal and State authorities agree that in the last five years, reported hate crimes have increased annually, from 5,932 in 1994 to 7,755 in 1998. As of 1998, four States still do not collect hate crime data. Yet, even if all States were reporting these incidents, it would be difficult to gauge the true extent of the hate crime problem in this country because bias-motivated crimes typically are under reported by both law enforcement agencies and victims.

And while these crimes have become more numerous, they have also become more violent. Monitoring groups have observed a shift from racially-motivated property crimes, such as spray painting, defacement and graffiti, to personal crimes such as assault, threat and harassment. On a national scale, according to FBI statistics, almost 7 out of 10 hate crimes are directed against people. Nonhate crimes, by

contrast, are directed against people only 11 percent of the time.

This legislation is long overdue. Looking back on this year alone, one might recall the litany of news stories describing a murderous rampage at a school in Littleton, Colorado; or the drive-by shooting attacks on Jews, an African-American, and Asian-Americans in Chicago, Illinois; or the two pipe-bomb explosions at the predominantly African American Florida A&M University; the brutal murders of two gay men in California; or the torching of synagogues in California; all despicable acts of virulent hatred.

We should work to give our citizens protection from those who would do them harm simply based upon their race, religion, gender, disability, or sexual orientation. Enactment of the Hate Crimes Prevention Act would send a message to our nation and the world that the singling out of an individual based on any of these characteristics will not go unnoticed or unpunished.

Mr. President, I urge my colleagues to enact this important legislation prior the end of this session.

SUPERFUND TAX RENEWAL

Mr. ENZI. Mr. President, I stand again in opposition to a proposal from my Democratic colleagues that attempts to renew the expired Superfund tax for the sole purpose of raising revenue to meet budgetary targets. We are once again faced with a policy which advances spending for social programs on the backs of small business owners and municipalities without any attempt to reform the current program.

I am puzzled at this current proposal for several reasons. First, it is estimated that the Superfund Trust Fund has maintained a surplus of \$1.5 billion. In addition, appropriation committees in the House and Senate have allotted \$700 million in general revenue to supplement funding for the program through Fiscal Year 2000. According to an analysis conducted by the Business Roundtable, it is estimated that the Superfund Trust Fund will have sufficient funding through 2002 without the need for further taxes.

Even without the imposition of taxes, contributions to the Superfund Trust Fund are plentiful. In 70 percent of all sites responsible parties paid cleanup costs in addition to reimbursing the EPA for its oversight expenditures. These payments, and the collection of all related costs to the EPA, are applied to the Trust Fund. In the remaining 30 percent of cases, the responsible parties pay the EPA to scrub the contaminated site in addition to paying for oversight costs. According to the Chemical Manufacturers Association, only 3 out of 150 sites required sole payment from general revenues because the parties involved either abandoned the site or were bankrupt.

The premise behind the initial creation of the Superfund program was to

facilitate a rapid cleanup of hazardous waste sites nationwide, with the responsible parties largely funding the site cleanup. This is a relatively simple and logical concept known as the "polluter pays" principle.

Secondly, the EPA has admitted that the Superfund program is drawing to a close. Under such conditions, there is no compelling reason to reinstate a tax to fund a program which is not only flawed, but is being phased out.

I ask my colleagues to heed the advice of numerous business and taxpayer organizations that oppose the reinstatement of the superfund tax in the absence of overall reform. I ask unanimous consent that the letters from the following organizations be printed in the Record:

U.S. Chamber of Commerce, American Petroleum Institute, The Business Roundtable, American Insurance Association, and Americans for Tax Reform.

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

AMERICANS FOR TAX REFORM,
Washington, DC, October 28, 1999.

Hon. BILL ARCHER,
Committee on Ways and Means, Washington, DC.

DEAR CHAIRMAN: I am writing to support your publicly-stated opposition to the imposition of any new taxes related to potential Superfund reform legislation pending in the House of Representatives. At a time when the non-Social Security budget surplus is projected to grow as high as \$1 trillion, Congress should not be raising taxes to pay for more government spending.

Furthermore, the Corporate Environmental Income Tax (CEIT) that expired in 1995 is a direct tax on corporate income. Thus, if any one of the 209 of Members of the House Republican Conference who signed the Americans for Tax Reform pledge not to raise new personal or corporate income taxes were to vote for them, they would be in direct violation of their signed pledge.

The House of Representatives has correctly rejected President Clinton's proposal for new taxes on at least three different occasions, most frequently by passing the Sense of Congress that Congress should not raise taxes to pay for more government spending. We hope that this steadfast opposition to any new tax increases continues in the debate over reform of the Superfund program.

In summary, no new taxes means no new taxes, and we support your position not to raise any taxes to pay for more spending.

Sincerely yours,

GROVER G. NORQUIST.

THE BUSINESS ROUNDTABLE,
Washington, DC, October 19, 1999.

Hon. J. DENNIS HASTERT,
Speaker of the House, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: The Business Roundtable is opposed to renewal of the Superfund taxes for purposes of raising revenue to meet budgetary targets. By law the Superfund Trust Fund was intended to be dedicated to cleaning up sites on the National Priorities List (NPL) and not for other budgetary purposes. The Superfund is funded both by Superfund taxes, but also from recovery of cleanup costs from responsible parties. Members of The Business Roundtable fall significantly in both categories.

We strongly believe that the taxes, which expired in 1995, should not be renewed for the following reasons:

1. The Superfund Trust Fund has an estimated surplus of \$1.5 billion. In addition, both the House and Senate appropriations committees have allotted \$700 million in General Revenues to supplement funding for the Superfund program through fiscal year 2000. Under our analysis, we estimate Superfund will have sufficient funding through the year 2002 without renewal of the taxes.

2. Under the Superfund law's liability scheme, responsible parties largely fund site cleanup regardless of the imposition of taxes. The preponderance of funding for Superfund is driven by the law's liability scheme, not from taxes. Most "deep pocket," responsible parties contribute well in excess of their actual fair share of responsibility. Where EPA spends money from the Trust Fund for cleanup, these expenditures are also in large measure recovered from responsible parties.

3. The Business Roundtable continues to support the principle that Superfund taxes be tied to comprehensive Superfund reform, including Natural Resource Damages. Both the House Transportation and Infrastructure Committee and the House Commerce Committee have reported reform bills. "Regular order" would suggest that any future federal funding of superfund be tied to an assessment of the impact of these reforms on the future of the program. Taxes should not be renewed absent comprehensive reform, and the current bills need to be evaluated against this criterion. In particular we would note that at this point the legislation is silent on Natural Resource Damages, which we believe must be reformed.

4. Finally, both House and Senate Appropriations for EPA include directives for a study of the costs to cleanup the remaining sites on the NPL and bring the Superfund program to successful closure. We support such an analysis to determine what the actual cost estimates are for Superfund. Under an earlier Roundtable analysis we concluded that it would be feasible to finance the current program at a rate of about 20 to 30 new sites per year (historical average) with an endowment representing approximately four years worth of funding (historical tax rates). There is no compelling reason to reinstate the taxes at their full rate for five years to fund a program which is phasing down. Nor should funding be renewed absent completion of the analysis directed by both House and Senate committees.

We urge you to resist any efforts to reinstate Superfund taxes for budgetary purposes, absent the Congressionally directed evaluation of future program costs and reform legislation, which includes Natural Resource Damages.

Thank you for your consideration.

Sincerely,

ROBERT N. BURT,
Chairman, The Business Roundtable Environmental Task Force, Chairman and CEO, FMC Corporation.

AMERICAN INSURANCE ASSOCIATION.

Hon. J. DENNIS HASTERT,
Speaker of the House,
U.S. House of Representatives, Washington, DC.

Hon. RICHARD A. GEPHARDT,
Minority Leader, U.S. House of Representatives.

Hon. TRENT LOTT,

Senate Majority Leader, U.S. Senate.

Hon. THOMAS A. DASCHLE,
Senate Minority Leader, U.S. Senate, Washington, DC.

DEAR MR. SPEAKER, MR. LEADER, MR. GEPHARDT, AND MR. DASCHLE: In recent days proposals have been made to reinstate the expired Superfund taxes to provide revenue offsets for non-Superfund spending—such as the tax extenders bill now under consideration—without enacting meaningful Superfund reform. In addition, as this session of Congress

draws to a close, there may be separate attempts to attach to unrelated legislation Superfund liability carveouts that shift cleanup costs to parties who remain liable at Superfund sites. We are writing to express our continued strong opposition to both of these proposals.

No Superfund Taxes Without Meaningful Superfund Reform.

Reinstatement of the expired Superfund taxes prior to enactment of meaningful Superfund reform would effectively prevent legislative reform of the Superfund program. That's because under the "pay-go" rules of the Federal budget laws, any Superfund reauthorization bill that includes mandatory spending provisions must also include provisions to reinstate the expired Superfund taxes or provide equivalent offsetting revenues "within the four corners of the bill" to keep it deficit neutral. Thus, if the Superfund taxes were to be enacted prior to consideration of a Superfund reform bill, Superfund reform could not be enacted without finding a new source of revenue, essentially an impossible task.

The taxes should not be prematurely reinstated, especially now that legislative reform of the Superfund program is within our reach. On August 5th the House Transportation and Infrastructure Committee voted 69-2 to report H.R. 1300, the Recycle America's Land Act, introduced by Subcommittee Chairman Sherry Boehlert. That bill now has some 138 cosponsors, divided nearly equally between Democrats and Republicans. The House Commerce Committee is expected to mark up a similar bill, Mr. Greenwood's H.R. 2580, in the next few days.

In the meantime, the Superfund program does not need reinstatement of the taxes to continue operating at full speed. The current surplus in the Superfund Trust Fund, combined with continued appropriations at the most recent level, mean the program will be fully funded through at least FY 2002. In fact, even with enactment of legislative reform, reinstatement of the taxes at the full levels that existed prior to their expiration in 1995 is not necessary. As the Boehlert bill, H.R. 1300, recognizes, any new funding for Superfund should be carefully tailored to reflect the declining needs of the cleanup program, which EPA has acknowledged is winding down.

No Cost-shifting for Liability Exemptions.

We are also concerned that there may be attempts this year (just as there were last year) to provide liability relief for certain parties by inserting amendments into appropriations bills or other legislation. While we do not oppose properly-crafted liability exemptions for small business, municipalities, recyclers, or others, we do oppose exemptions that shift their shares of cleanup costs to the remaining Superfund parties. Under the Boehlert bill, H.R. 1300, these costs would be part of the orphan share paid by the Trust Fund. This is the original purpose for which Congress created the Trust Fund.

There is certainly no justification for shifting these orphan shares to the other parties. In fact, in recent years even EPA has consigned much more of these orphan shares to the Trust Fund. Shifting costs to other parties is not only unfair, it is one of the main causes of litigation and the attendant cleanup delay at Superfund sites.

In sum, we urge you to oppose reinstatement of the expired Superfund taxes without enactment of meaningful Superfund reform. We also urge you to oppose Superfund liability exemptions which shift cleanup costs to other liable parties.

If we can provide assistance or further information on these or other related matters, please do not hesitate to call on us.

Sincerely,

ROBERT E. VAGLEY,
President.

U.S. CHAMBER OF COMMERCE,
AMERICAN PETROLEUM INSTITUTE,
October 8, 1999.

Hon. J. DENNIS HASTERT,
Speaker of the House, U.S. House of Representatives, Washington, DC.

Hon. RICHARD A. GEPHARDT,
House Minority Leader, U.S. House of Representatives, Washington, DC.

Hon. TRENT LOTT,
Senate Majority Leader, U.S. Senate, Washington, DC.

Hon. THOMAS A. DASCHLE,
Senate Minority Leader, U.S. Senate, Washington, DC.

DEAR MR. SPEAKER, SENATOR LOTT, MR. GEPHARDT, AND SENATOR DASCHLE: We are writing to express our concern about possible efforts to reinstate the expired Superfund taxes. Proposals to reinstate the taxes solely as a means of raising revenue without enacting comprehensive reform of the Superfund program are very disturbing to us. Raising taxes on industry runs directly counter to congressional efforts to reduce taxes. Furthermore, the Superfund taxes do not need to be reinstated to keep the program going. Under the most recent appropriations and funding mechanisms, the trust fund will remain solvent for many years as the program begins to wind down. Even by EPA's own admission the Superfund program is drawing to a close.

The Superfund program was created to address a broad problem—paying for the clean-up of "orphan" waste disposal sites (those that were either abandoned or whose owners were bankrupt). A wide range of individuals, businesses and government entities have contributed to Superfund sites, therefore general revenues should pay for the program's administrative costs and the clean-up of sites where the responsible parties cannot be found.

In 1995, the Superfund taxes expired. EPA officials claim that using general revenues rather than industry-specific taxes to pay for Superfund would "constitute paying for polluters' clean-ups on the 'backs' of the American taxpayers." That is simply not true. Private sector responsible parties (the so-called "polluters") have always paid the majority of cleanup costs associated with the program. In addition, all responsible parties continue to pay their share of Superfund clean-up costs, even though the dedicated taxes have expired. Under CERCLA's strict joint and several liability standard, persons identified as contributing wastes to a Superfund site are paying their share (in addition to the shares of other contributors) of the clean-up costs.

Even without industry tax revenues, Superfund will have sufficient funding from general revenues, fines, penalties, and profits on investments to support the program into Fiscal Year 2002. For fiscal year 2000, the Appropriations Committees have chosen to fund between \$700 and \$725 million of the Superfund program from general revenues. In fact, Congress can fund the entire program from general revenues, according to the General Accounting Office and the Congressional Budget Office.

Simply stated the Superfund taxes should not be reinstated—instead, general revenues should continue to be used to pay for the program. Reinstating industry-specific taxes is not consistent with Congress' intent for the program, that is, whenever possible, polluters should pay for the costs of cleaning up the sites they helped contaminate. The debate over Superfund should not be about reinstating the taxes. It should be about winding down the program as it completes its original mission and devolving the day-to-day operation of the program to the states.

Sincerely,

RED CAVANEY,

American Petroleum
Institute.

THOMAS J. DONAHUE,
Chamber of Commerce
of the US.

Mr. ENZI. Mr. President, now is not the time to consider tax increases to pay for government spending, especially at the same time we are experiencing a non-Social Security surplus, projected to grow as high as \$1 trillion over 10 years, and at a time when American citizens are paying taxes at the highest peacetime rate in history.

Mr. President, I yield the floor.

SAFEGUARDING OUR SECURITY

Mr. TORRICELLI. Mr. President, there are few matters of more importance to the nation than the safeguarding of our security. Every day, tens of thousands of men and women wear the American uniform proudly in all the world's time zones while guarding against threats to American citizens and our interests. Perhaps there is no more perilous environment in which our servicemen and women operate than beneath the oceans. Because of the secrecy demanded by the myriad missions, Navy submariners have come to be known as the silent service. Often reluctant to speak on their own behalf, I commend to my colleagues attention the following article which is of great importance, not only to our nation's undersea warriors, but to the nation's security.

The commentary in Defense News touches upon an important opportunity. It is the chance to secure more useful life from four Ohio-class submarines slated for retirement. The article suggests the possibility of converting them from their strategic nuclear duties into tactical Tomahawk shooters able to provide our overseas warfighting commanders additional striking capability.

I ask unanimous consent this article be printed in the RECORD.

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

[From Defense News, Mar. 29, 1999]

CONVERTED SUBMARINES COULD BOLSTER U.S.
POWER PROJECTION
(By Ernest Blazar)

Power projection can be a difficult concept to understand in the abstract. It is a nation's ability to make its military might felt beyond its borders—as diplomacy's coercive underpinning, deterrence or in actual combat.

American power projection has taken many forms in years past; the man-o-war, expeditionary Marines, the dreadnaughts of the Great White Fleet, the aircraft carrier, the Army's 82nd Airborne division and the Air Force's expeditionary wings. Different crises have demanded different kinds of U.S. power projection at different times.

In recent years, however, U.S. power projection at the lethal end of the spectrum combat has increasingly relied upon a single tool. Since its 1991 Persian Gulf war debut, the Tomahawk cruise missile has become the weapon of choice when crises demand swift and accurate U.S. military response.

They have cleared safe lanes for U.S. warplanes through enemy air defenses. Tomahawks have hit terrorists. And they have destroyed sites thought to hold mass destruction weapons. Over 700 have been used in six different strikes since 1991.

As Tomahawks' use grows so do the strains upon their launch platforms in the shrinking 300-ship fleet. So some in the Navy and Congress are seeking new ways to quickly boost the number of Tomahawk missiles—the power projection tool of choice—available to overseas U.S. commanders.

Attention has now fallen upon four Ohio-class submarines to be retired in 2003 and 2004. A now overdue Navy study to Congress reveals how these Cold War-era submarines, that once aimed nuclear-tipped missiles at the Soviet Union, can easily be converted to carry hundreds of Tomahawk missiles.

Doing so would give the U.S. Central Command in the Persian Gulf, for example, one such submarine year-round, thereby almost doubling the in-theater inventory of Tomahawks. That would take the pressure off other Navy ships needed elsewhere, increase deterrence and strengthen U.S. combat power should strikes be necessary.

The Navy's imminent report has found that the four Ohio-class subs could be fitted with Tomahawks and Navy Sea, Air and Land (SEAL) commando gear for \$500 million each. According to New Jersey Senator Robert G. Torricelli, "It's an inexpensive way of adding a new dimension to U.S. warfighting capabilities."

All but two of the 24 strategic missiles tubes aboard the Ohio-class boats could be refitted to accept a canister holding six or seven Tomahawk missiles each, yielding a maximum of 154 cruise missiles. If some SEALs are aboard, along with their special gear, only 98-140 Tomahawks could be loaded—still more than any other Navy ship carries.

The full warload—all 154 Tomahawks—can be "ripple-fired" from the submerged submarine in less than six minutes. That is key because it allows the submarine to quickly, quietly and safely remove itself from the launch site after firing all its missiles.

A submarine-launched strike of that size offers two main advantages. First, by virtue of its stealth, a submarine can launch a surprise attack from within an enemy's early-warning perimeter. With no advance warning, large numbers of enemy targets can be hit before they are hidden, dispersed or emptied. There is no build-up of U.S. forces to warn an enemy of a pending attack. Second, submarines are less vulnerable to attack and counter-attack than are surface ships. If embarked SEALs are the best weapon for a mission, the converted Ohio-class boats can house 102 such men for short durations and 66 SEALs nearly indefinitely. This allows for a sustained special operations campaign, rather than solitary strikes, from a stealthy, invulnerable platform.

SEALs can also use the submarine's silos that once held nuclear-tipped strategic missiles to store their unique gear. There is ample room for a hyperbaric chamber to recompress divers if needed and a warming chamber which helps SEALs recover from prolonged exposure to cold water. The converted Ohio-class boats could also serve as 'mother-ships' to special underwater SEAL delivery craft like the Advanced Swimmer Delivery Vehicle minisub.

INNOCUOUS

Even though the four converted Ohio-class boats would no longer carry nuclear-tipped missiles, strategic arms control treaty limits would still apply to these boats. This means the ships' missile tubes, now filled with tactical missiles and Navy SEALs,

would still be counted against ceilings that cap the number of U.S. and Russian strategic weapons. The Navy's study to Congress has found that, while complex, this issue can be accommodated as has been done before for other strategic missile submarines converted to special, tactical duties.

The nation has a rare opportunity to swiftly and cheaply boost its ability to project power. The conversion of these four Ohio-class boats will complement, not compete with, other Navy ships and Air Force expeditionary warplanes deployed to overseas hot-spots. This chance to get new, useful life out of old Cold War-era systems on the cheap is the innovative and right thing to do for the Navy and the nation.

IN HONOR OF SENATOR JOHN H. CHAFEE

Mr. LIEBERMAN. Mr. President, I rise today to speak in memory and tribute to Senator John H. Chafee, who was for me not just a colleague and friend, but a mentor on the Environment and Public Works Committee for the eleven years I have been in the Senate. Nearly every single environmental statute bears the strong stamp of his commitment and leadership; Superfund, the Clean Water Act, the Safe Drinking Water Act, barrier beach legislation, transportation laws, the Oil Pollution Protection Act. The list goes on and on.

When John Chafee first announced that he was not going to run for reelection, a lot of us who care about the environment realized what a great loss John Chafee's retirement would be. Now his sudden death reminds us all too quickly that he was an irreplaceable friend of the environment. He was a very sturdy, forthright, faithful leader at a time when the number of legislators in his great party who consider themselves environmental stewards grew smaller. This trend has been contrary to the proud environmental tradition of the Republican party that goes back to the days of Teddy Roosevelt and contrary to what I find to be the opinion of Republicans in Connecticut who are quite enthusiastically supportive of environmental protection. Senator Chafee held high the banner of that tradition.

He always considered himself a centrist and I know that what he meant by that was not that he was neutral, but that he was committed to bringing different groups and factions within Congress and outside together to get things done. One of my first and best experiences as a Senator was in 1990 when we were considering the Clean Air Act Amendments. Senator George Mitchell, then Majority Leader, pulled a group of us together with representatives of the Bush Administration in his conference room. John Chafee was there day after day, and night after night, throughout long, tedious negotiations. But in the end, he helped put the pieces together for us to adopt a bill signed by President Bush that has clearly made our nation's air healthier and cleaner.

He was also a leader in the effort to protect against global climate change,

urging the President to adopt an international framework to address the issue as early as 1988, and supporting the efforts to achieve the signing and ratification of the United Nations Framework Convention on Climate Change. We went to Kyoto, Japan for the critical meetings there to forge further agreements to fulfill the objectives of the Framework Convention agreement. In that difficult setting John sent a message to the countries of the world which were being quite critical of the United States' position, that there was bipartisan support in Congress for taking action to address global warming. He and I then worked together with Senator MACK to sponsor what we thought was a modest proposal in this Congress to begin to give companies that reduce greenhouse gas emissions the promise of credit if and when we adopt a mandatory system for controlling that kind of air pollution. I remember laughing with John that we must be on the right path because our proposal was opposed by both sides of the debate.

John Chafee was the quintessential New Englander; he was a straightforward, very honest, very civil man. He also was a great outdoorsman. I think that some of the work he was proudest of involved his efforts to protect natural resources. He played a critical role in expanding our National Wildlife Refuge System and worked hard to conserve wetlands. He instituted several reforms to tax policy to encourage the preservation of open space. He was a great advocate right up to his death for full and permanent funding for the Land and Water Conservation Fund, which is so important to preserving open spaces in our states.

John Chafee was a good man and a superb chairman. Always respectful to those who came before our Committee, he wanted to get things done. When it came to the environment, he really did get things done. I'll miss him. We'll all miss him. The Lord's good earth will miss him, because he was indeed a good friend. My wife Hadassah joins me in extending condolences to Ginny Chafee and the entire family. We all do truly share in their loss.

TRADE AND DEVELOPMENT ACT OF 1999

Mr. LIEBERMAN. Mr. President, I rise today to make additional remarks on a provision contained in the Manager's Amendment to the Trade and Development Act of 1999 adopted last week by voice vote. The manager's included a Sense of the Senate on Tariff Inversions that has raised some concerns with several of my colleagues. I would like to engage them in a discussion of the issue on the floor of the United States Senate.

There is a company in my state, The Warren Corporation, that specializes in the manufacture of high quality woolen and worsted apparel fabric. This company has been producing luxurious

fabrics for decades and recently invested heavily in the U.S. to become a fully integrated textile mill with a diverse set of manufacturing operations. I mention Warren today because this proud contributor to the New England textile heritage could be adversely affected by a tariff provision recently adopted by voice vote in the Manager's Amendment to the Trade and Development Act of 1999. I would like to call on some of my esteemed colleagues who I am sure have similar concerns in their states. Senator HELMS, is it not true that you have thousands of workers in the textile industry that could be adversely affected by this legislation.

Mr. HELMS. Mr. President in responding to the distinguished Senator from Connecticut, it is certainly true that North Carolina is the largest of the nation's textile and apparel states in terms of employment. In fact, North Carolina employs over 200,000 workers in this industry, many of which are directly involved in wool fabric production. For that reason, I share his deep interest in this wool fabric issue. I want to make it clear that any such legislation would institute a unilateral tariff reduction on the part of the U.S. I do not believe that it is wise policy for the U.S. to simply reduce important tariffs and gain nothing in return. These same fabric makers are essentially precluded from shipping their products to many key markets overseas. My point is simply, if we want to consider reducing these duties, it would be better done as part of the upcoming World Trade Organization talks later this month in Seattle. At the very least, in that forum we would have the ability to gain some reciprocal market access to our manufacturers.

Mr. DODD. Mr. President, I rise to also express my concern in regard to this wool fabric issue. Like my colleague from Connecticut, I have great respect for the workers and employers in the textile sector in my state. In particular the Warren corporation was mentioned. Eleven years ago, this company invested over \$40 million in an abandoned textile factory in Stafford Springs, Connecticut. For several years they operated at a loss as they fought for market share here in the U.S. However, they understood that if they produced a quality product at reasonable price, they would succeed. Today they are one of the most respected suppliers of fine grade wool fabrics in the world, and they are providing nearly 300 jobs in a depressed area of my state. This is the type of investment and the type of jobs that we want to attract to our region. As a result, we in Congress need to be very careful about proposals that would cut the legs out from under a company such as Warren. Instead of unilaterally cutting their tariffs, we should be searching for ways to further encourage such investment.

Mr. CAMPBELL. Mr. President, I too have an interest in this matter, but from a different angle. The U.S. fabric

industry consumes virtually all the wool fiber produced in the United States. My home state is a significant producer of wool. If we approve legislation that damages fabric makers, it will have a direct and adverse impact on wool growers. The growers in my state are already suffering from surging imports of lamb meat. In addition, the price of their wool has been severely depressed due to the fact that wool from Australia and New Zealand is routinely dumped on the world market. As a result, I am on the record as strongly opposing any legislation that cuts U.S. wool fabric duties. It is critical that in the discussions of this issue members from the wool producing regions are fully informed and involved. We simply cannot accept a move that would take steps to appease suit makers without fully understanding and considering the impact of such legislation all the way down the chain—from fabric makers to wool growers.

Mr. THOMAS. Mr. President, I rise to fully support the remarks of my colleague from Colorado. The wool fiber industry in my state is critical to our overall state economy.

Mr. LIEBERMAN. And Senator THOMAS, am I correct in noting that 23 distinguished members of this body submitted a letter to the Chairman of the Finance Committee earlier this year expressing concern over legislation that would threaten domestic textile producers?

Mr. THOMAS. That is correct. I was one of 23 signatories of a letter dated April 16, 1999, that provides several reasons why unilateral tariff reductions should be avoided. First, wool fabric similar to the foreign imported product, subject to tariffs, is already available from domestic producers. Second, this is not the appropriate time to address accelerated tariff reductions as wool fabric tariffs are currently being reduced at the multilateral level. U.S. producers and textile companies have made investments and based business decisions on trade negotiations that were reached under the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO). If we are to consider additional tariff reductions, those discussions should occur during trade negotiations, instead of being legislated on the floor of the U.S. Senate. U.S. manufacturers are the only customers domestic wool growers have; virtually no wool is exported. Wyoming is the second largest wool producing state and because of already depressed wool prices, our growers can not break even, let alone turn a profit. Accelerating wool fabric tariff cuts, at this time, will only further decrease fiber prices and sales, consequently putting U.S. wool growers and textile workers at risk. I thank my colleague, Senator LIEBERMAN, for his work on this crucial issue.

Mr. LIEBERMAN. I thank my colleague from Wyoming for his kind words. On November 3, I presented legislative background on the wool tariff

provision to reflect the concerns of my constituents about any revision to tariff reduction and phase-out schedules that would unfairly alter their competitive posture and force layoffs. Specifically, I noted that the language in the provision as originally proposed dinging the inclusion of the wool fabric industry was purposely deleted in the version that passed in the Manager's Amendment, underscoring the Senate's clear intent that this provision is not directed at this sector.

Second, the provision specifically requires that full account be taken of "conditions" in the various "producing industry in the United States," indicating that whatever further action Congress may want to consider in the future on this issue, or that the U.S. Trade Representative may raise in future negotiations, must assure fairness and equitable treatment to those currently producing in the United States. Furthermore, the language specifically states that special attention and equity is to be provided to "those currently facing tariff phase-outs negotiated under prior trade agreements." Since my constituents in the wool fabrication sector specifically fall into exactly that posture, property relying on phase-out schedules negotiated in prior trade agreements, this protection and assurance is directed at their concerns, which, in turn, is why their industry sector was dropped from application of this provision.

Senator HELMS, is it not true that Senators MOYNIHAN and ROTH provided assurances that I would be given full notice of any consideration of this issue in conference and that it will be resolved in a manner satisfactory to me in representative of my constituents concerns?

Mr. HELMS. That is my understanding of your verbal agreement with the managers of the bill.

Mr. LIEBERMAN. Mr. President, we have reiterated our concerns concerning the wool tariff provision with the hope that the leadership will find a way to support the views of nearly one quarter of the Senate. I ask unanimous consent to print in the RECORD a letter from April 16, 1999, from 23 Senators opposed by any changes in wool tariffs addressed to Senator ROTH.

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

U.S. SENATE,

Washington, DC, April 16, 1999.

Hon. WILLIAM ROTH
Chairman, Finance Committee, U.S. Senate,
Washington, DC.

DEAR MR. CHAIRMAN: We write to express strong opposition to S. 218, which is designed to reduce some and eliminate other existing U.S. tariffs on certain types of wool fabric. This bill is virtually identical to legislation introduced last Congress, which drew widespread, adverse reaction from U.S. producers of wool fiber, top, yarns, and fabrics, as well as many in Congress.

Our continued opposition to this legislation is based on a number of factors:

The fabric types covered by S. 218 are readily available from U.S. producers.

Wool fabric tariffs are already in the process of being reduced, and as such there is no need for these additional, unilateral cuts. In 1995 the WTO/Uruguay Round instituted a phased 30% tariff reduction and import quota elimination for the same products covered by S. 218.

Based on the trade laws and tariffs in place as a result of the Uruguay Round/WTO and the NAFTA, hundreds of millions of dollars in investments were made by the domestic wool fabric industry to try to help ensure their survival. Changing the rules of the game now by making additional, unforeseen tariff cuts will undermine the integrity of these trade rules/agreements and destroy these investments.

In preparation for the new WTO Round, the U.S. is participating in multilateral trade talks this year. Rather than sanctioning additional, unilateral U.S. tariff cuts, Congress should instead instruct the Administration to focus on improving foreign market access for U.S. produced wool fabric and other textile products during these talks. We believe that even those in Congress who may favor tariff cuts, would understand that doing so outside the WTO negotiating context is not in the best interests of the United States, since there would be no possibility of using these or any other cuts as a bargaining tool to get trade concession in return.

These proposed cuts would have an extremely severe impact on the approximately 90,000 U.S. workers whose livelihoods are directly tied to the production of wool textiles.

The unilateral giveaway of U.S. wool fabric tariffs mandated under S. 218 comes at a time when imports are already at record levels. Adding to the current import crisis in this sector is the fact that many Asian suppliers are exporting these fabrics well below 1997 prices as a result of the economic crisis in that region.

The flood of low cost imports has forced U.S. companies to lay-off over 1,600 wool yarn and fabric workers in January 1999, alone. This is the continuation of a devastating trend whereby nearly one-third of all U.S. wool yarn and fabric jobs have been lost in recent years. Certainly, passage of S. 218 will result in the loss of thousands of additional jobs.

U.S. woolgrowers produce fine wools that go into the fabrics covered by S. 218. U.S. wool, top, yarn, & fabric manufacturers are the only customers U.S. woolgrowers have; virtually no wool is exported. Due to surging wool textile and apparel imports, U.S. wool fiber sales and prices have been extremely depressed. Wool fabric tariff cuts will leave woolgrowers with an even more diminished customer base for their wool fiber, at a time when the lamb meat portion of their business is also being severely harmed by increased lamb meat imports.

For these reasons, we believe that you should oppose S. 218. Specifically, we encourage you to block the inclusion of this legislation as part of any trade bill or other legislation that your committee may approve in the 106th Congress. Thank you for your consideration of our views on this important matter.

Sincerely,

Larry E. Craig; Mike Enzi; Olympia Snowe; Mike Crapo; Ben Nighthorse Campbell; John Warner; Chuck Robb; Fritz Hollings; Susan Collins; Conrad Burns; Max Baucus; Craig Thomas; Pete V. Domenici; Joe Lieberman; Richard Shelby; Robert F. Bennett; Strom Thurmond; Jesse Helms; John Edwards; Tim Johnson; Jeff Bingaman; John H. Chafee; Jeff Sessions.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, November 8, 1999, the Federal debt stood at \$5,660,688,811,424.68 (Five trillion, six hundred sixty billion, six hundred eighty-eight million, eight hundred eleven thousand, four hundred twenty-four dollars and sixty-eight cents).

Five years ago, November 8, 1994, the Federal debt stood at \$4,724,109,000,000 (Four trillion, seven hundred twenty-four billion, one hundred nine million).

Ten years ago, November 8, 1989, the Federal debt stood at \$2,895,742,000,000 (Two trillion, eight hundred ninety-five billion, seven hundred forty-two million).

Fifteen years ago, November 8, 1984, the Federal debt stood at \$1,616,564,000,000 (One trillion, six hundred sixteen billion, five hundred sixty-four million).

Twenty-five years ago, November 8, 1974, the Federal debt stood at \$478,873,000,000 (Four hundred seventy-eight billion, eight hundred seventy-three million) which reflects a debt increase of more than \$5 trillion—\$5,181,815,811,424.68 (Five trillion, one hundred eighty-one billion, eight hundred fifteen million, eight hundred eleven thousand, four hundred twenty-four dollars and sixty-eight cents) during the past 25 years.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry two withdrawal and nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 11:22 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 359. An act to clarify the intent of Congress in Public Law 93-632 to require the Secretary of Agriculture to continue to provide for the maintenance and operation of 18 concrete dams and weirs that were located in the Emigrant Wilderness at the time the wilderness area was designated in that Public Law.

H.R. 1832. An act to amend the Fair Labor Standards Act of 1938 to increase the Federal minimum wage.

H.R. 2307. An act to designate the building of the United States Postal Service located at 5 Cedar Street in Hopkinton, Massachusetts, as the "Thomas J. Brown Post Office Building."

H.R. 2904. An act to amend the Ethics in Government Act of 1978 to reauthorize funding for the Office of Government Ethics.

H.R. 3002. An act to provide for the continued preparation of certain useful reports concerning public lands, Native Americans, fisheries, wildlife, insular areas, and other natural resources-related matters, and to repeal provisions of law regarding terminated reporting requirements concerning such matters.

H.R. 3077. An act to amend the Act that authorized construction of the San Luis Unit of the Central Valley Project, California, to facilitate water transfers in the Central Valley Project.

H.R. 3189. An act to designate the United States post office located at 14071 Peyton Drive in Chino Hills, California, as the "Joseph Ito Post Office."

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2116) to amend title 38, United States Code, to establish a program of extended care services for veterans and to make other improvements in health care programs of the Department of Veterans Affairs, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. STUMP, Mr. SMITH of New Jersey, Mr. QUINN, Mr. STEARNS, Mr. EVANS, Ms. BROWN of Florida, and Mr. DOYLE, as managers of the conference on the part of the House.

At 2:15 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 2280) to amend title 38, United States Code, to provide a cost-of-living adjustment in rates of compensation paid for service connected disabilities, to enhance the compensation, memorial affairs, and housing programs of the Department of Veterans Affairs, to improve retirement authorities applicable to judges of the United States Court of Appeals for Veterans Claims, and for other purposes, with amendments, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 76. Joint resolution waiving certain enrollment requirements for the remainder of the first session of the One Hundred Sixth Congress with respect to any bill or joint resolution making general appropriations or continuing appropriations for fiscal year 2000.

At 5:12 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1555) to authorize appropriations for fiscal year 2000 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on November 9, 1999, he had presented to the President of the United States, the following enrolled bills:

S. 468. An act to improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public.

S. 900. An act to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, insurance companies, and other financial service providers, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The following bills and joint resolution, previously signed by the Speaker of the House, were signed on today, November 9, 1999, by the President pro tempore (Mr. THURMOND):

S. 468. an Act to improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public.

S. 900. An Act to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, insurance companies, and other financial service providers, and for other purposes.

H.R. 3122. An act to permit the enrollment in the house of Representatives Child Care Center of children of Federal employees who are not employees of the legislative branch.

H.J. Res. 54. Joint resolution granting the consent of Congress to the Missouri-Nebraska Boundary Compact.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-370. A resolution adopted by the Nevada State AFL-CIO Annual Convention relative to the National Surface Transportation Board; to the Committee on Commerce, Science, and Transportation.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-6102. A communication from the Executive Director, Appraisal Subcommittee, Federal Financial Institutions Examination Council, transmitting, pursuant to law, a report relative to its commercial activities inventory; to the Committee on Governmental Affairs.

EC-6103. A communication from the Inspector General, Farm Credit Administration, transmitting, pursuant to law, a report relative to its commercial activities inventory; to the Committee on Governmental Affairs.

EC-6104. A communication from the Chairman, National Credit Union Administration, transmitting, pursuant to law, a report rel-

ative to its commercial activities inventory; to the Committee on Governmental Affairs.

EC-6105. A communication from the Staff Director, Federal Election Commission, transmitting, pursuant to law, a report relative to its commercial activities inventory; to the Committee on Governmental Affairs.

EC-6106. A communication from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, a report relative to its commercial activities inventory; to the Committee on Governmental Affairs.

EC-6107. A communication from the Director, National Gallery of Art, transmitting, pursuant to law, a report relative to its commercial activities inventory; to the Committee on Governmental Affairs.

EC-6108. A communication from the Director, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Prevailing Rate Systems; Abolishment of the Dubuque, Iowa Appropriated Fund Wage Area" (RIN3206-A190), received November 4, 1999; to the Committee on Governmental Affairs.

EC-6109. A communication from the Chairman, U.S. Merit Systems Protection Board, transmitting, pursuant to the Federal Manager's Financial Integrity Act, the annual report for fiscal year 1999; to the Committee on Governmental Affairs.

EC-6110. A communication from the President, James Madison Memorial Fellowship Foundation, transmitting, pursuant to the Federal Manager's Financial Integrity Act, the annual report for fiscal year 1997; to the Committee on Governmental Affairs.

EC-6111. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report relative to Medicare approved home health agencies; to the Committee on Finance.

EC-6112. A communication from the Chief, Regulations Branch, U.S. Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Foreign Locomotives and Railroad Equipment in International Traffic; Technical Amendment" (R.P. 98-21), received November 4, 1999; to the Committee on Finance.

EC-6113. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of \$50,000,000 or more to the Republic of Korea; to the Committee on Foreign Relations.

EC-6114. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of \$50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC-6115. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of \$50,000,000 or more to Australia, Bermuda, Canada, France, Germany, Italy, Japan, Norway, Sweden, and the United Kingdom; to the Committee on Foreign Relations.

EC-6116. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services

sold commercially under a contract in the amount of \$50,000,000 or more to Australia; to the Committee on Foreign Relations.

EC-6117. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of \$50,000,000 or more to Italy; to the Committee on Foreign Relations.

EC-6118. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Manufacturing License Agreement with Germany; to the Committee on Foreign Relations.

EC-6119. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Manufacturing License Agreement with Japan; to the Committee on Foreign Relations.

EC-6120. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Technical Assistance Agreement with Greece; to the Committee on Foreign Relations.

EC-6121. A communication from the Director, Defense Procurement, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Coordinated Acquisition Procedures Update" (DFARS Case 99-D022), received November 5, 1999; to the Committee on Armed Services.

EC-6122. A communication from the Director, Defense Procurement, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Contract Administration and Audit Services" (DFARS Case 98-D003, 99-D004, 99-D010), received November 5, 1999; to the Committee on Armed Services.

EC-6123. A communication from the Director, Defense Procurement, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Weighted Guidelines and Performance-Based Payments" (DFARS Case 99-D001), received November 5, 1999; to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SMITH of New Hampshire, from the Committee on Environment and Public Works:

S. 1627. A bill to extend the authority of the Nuclear Regulatory Commission to collect fees through 2004, and for other purposes (Rept. No. 106-220).

By Mr. CAMPBELL, from the Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 979. A bill to amend the Indian Self-Determination and Education Assistance Act to provide for further self-governance by Indian tribes, and for other purposes (Rept. No. 106-221).

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committees were submitted:

By Mr. GRAMM for the Committee on Banking, Housing, and Urban Affairs:

Susan M. Wachter, of Pennsylvania, to be an Assistant Secretary of Housing and Urban Development, vice Michael A. Stegman, resigned.

Gregory A. Baer, of Virginia, to be an Assistant Secretary of the Treasury, vice Richard Scott Carnell, resigned.

By Mr. HELMS for the Committee on Foreign Relations:

Kay Kelley Arnold, of Arkansas, to be a Member of the Board of Directors of the Inter-American Foundation for a term expiring October 6, 2004, vice Neil H. Offen, term expired.

Irwin Belk, of North Carolina, to be an Alternate Representative of the United States of America to the Fifty-fourth Session of the General Assembly of the United Nations.

Revius O. Ortigue, Jr., of Louisiana, to be an Alternate Representative of the United States of America to the Fifty-fourth Session of the General Assembly of the United Nations.

Carol Moseley-Braun, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to New Zealand.

Carol Moseley-Braun, of Illinois, to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to Samoa.

Nominee: Carol E. Moseley-Braun.

Post: Ambassador to New Zealand.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee:

1. Self: none.
2. Spouse: N/A.
3. Children and spouses: none.
4. Parents: deceased.
5. Grandparents: deceased.
6. Brothers and spouses: Joseph and Diane Moseley, none.
7. Sisters and spouses: Marsha Moseley, see attached; Mark Kerman, none.

ATTACHMENT—CONTRIBUTIONS MADE BY:
MARSHA MOSELEY

Donees: Oak Park Mayoral Candidate John Shoelstroup; Danny Davis for U.S. Congress; Patrice Ball-Reed, Judicial; Dorothy Brown for City Treasurer; Maria Sanchez for U.S. Congress, Cal.; Fredrenna Lyle, Alderperson; and Judge Sharon Johnson Coleman.

Dates and amounts of donations not available.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. HELMS. Mr. President, for the Committee on Foreign Relations, I report favorably the nomination list which was printed in the RECORD indicated below, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that the nominations lie at the Secretary's desk for the information of Senators.

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

Foreign Service, 127 nominations beginning Rita D. Jennings, and ending Carol Lynn Dorsey, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of November 3, 1999.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of November 3, 1999, at the end of the Senate proceedings.)

By Mr. WARNER for the Committee on Armed Services:

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. (lh) Kevin P. Green, 6805

(The above nomination was reported with the recommendation that he be confirmed.)

Mr. WARNER. Mr. President, for the Committee on Armed Services, I report favorably the nomination list which was printed in the RECORD indicated below, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that the nominations lie at the Secretary's desk for the information of Senators.

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

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of November 3, 1999, at the end of the Senate proceedings.)

In the Army, 2 nominations beginning Alan G. Lackey, and ending Rita A. Price, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of November 3, 1999.

In the Marine Corps, 1 nomination of Karl G. Hartenstine, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of November 3, 1999.

In the Navy, 5 nominations beginning Lynne M. Hicks, and ending William D. Watson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of November 3, 1999.

In the Navy, 1 nomination of John R. Daly, Jr., which was received by the Senate and appeared in the CONGRESSIONAL RECORD of November 3, 1999.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ROBB (for himself, Mr. SARBANES, and Ms. MIKULSKI):

S. 1885. A bill to amend title 5, United States Code, to provide for more equitable policies relating to overtime pay for Federal employees, limitations on premium pay, and the accumulation and use of credit hours; to the Committee on Governmental Affairs.

By Mr. INHOFE (for himself, Mrs. FEINSTEIN, and Mr. SMITH of New Hampshire):

S. 1886. A bill to amend the Clean Air Act to permit the Governor of a State to waive the oxygen content requirement for reformulated gasoline, to encourage development of voluntary standards to prevent and control releases of methyl tertiary butyl ether from underground storage tanks, and for other purposes; to the Committee on Environment and Public Works.

By Mr. ENZI:

S. 1887. A bill to amend the Fair Labor Standards Act of 1938 to provide for an increase in the minimum wage and protect the rights of States that have adopted State minimum wage laws; to the Committee on Health, Education, Labor, and Pensions.

By Mr. AKAKA (for himself, Mr. INOUE, and Mr. GRAHAM):

S. 1888. A bill to support the protection of coral reefs and other resources in units of the National Park System and other agen-

cies under the administration of the Secretary of the Interior; to the Committee on Energy and Natural Resources.

By Mr. GRAMS:

S. 1889. A bill to amend the Congressional Budget Act of 1974 to provide for joint resolutions on the budget, reserve funds for emergency spending, strengthened enforcement of budgetary decisions, increased accountability for Federal spending; accrual budgeting for Federal insurance programs, mitigation of the bias in the budget process toward higher spending, modifications in paygo requirements when there is an on-budget surplus, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

By Mr. SANTORUM (for himself and Mr. SPECTER):

S. 1890. A bill to amend title XVIII of the Social Security Act to provide that geographic reclassifications of hospitals from one urban area to another urban area do not result in lower wage indexes in the urban area in which the hospital was originally classified; to the Committee on Finance.

By Mr. CHAFFEE:

S. 1891. A bill to amend the Elementary and Secondary Education Act of 1965 to improve literacy through family literacy projects; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 1892. A bill to authorize the acquisition of the Valles Caldera, to provide for an effective land and wildlife management program for this resource within the Department of Agriculture, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BOND:

S. 1893. A bill to amend the Indian Gaming Regulatory Act to prohibit the Secretary of the Interior from taking land into trust for Indian tribes for gaming purposes under certain conditions, and for other purposes; to the Committee on Indian Affairs.

By Mr. THOMAS (for himself and Mr. ENZI):

S. 1894. A bill to provide for the conveyance of certain land to Park County, Wyoming; to the Committee on Energy and Natural Resources.

By Mr. BREAUX (for himself, Mr. FRIST, Mr. KERREY, and Mr. HAGEL):

S. 1895. A bill to amend the Social Security Act to preserve and improve the medicare program; to the Committee on Finance.

By Mr. LEAHY (for himself and Mr. BAUCUS):

S. 1896. A bill to amend the Public Buildings Act of 1959 to give first priority to the location of Federal facilities in central business areas, and for other purposes; to the Committee on Environment and Public Works.

By Mr. BIDEN:

S. 1897. A bill to amend the Public Health Service Act to establish an Office of Auto-immune Diseases at the National Institutes of Health, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DORGAN (for himself, Mr. ASHCROFT, and Mr. LEAHY):

S. 1898. A bill to provide protection against the risks to the public that are inherent in the interstate transportation of violent prisoners; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BAUCUS (for himself and Mr. GRASSLEY):

S. Res. 226. A resolution expressing the sense of the Senate regarding Japanese participation in the World Trade Organization; to the Committee on Finance.

By Mr. BOND (for himself, Mr. BRYAN, Mr. DEWINE, Mr. BINGAMAN, Mr. JOHNSON, Mr. KENNEDY, and Mr. ROCKEFELLER):

S. Res. 227. A resolution expressing the sense of the Senate in appreciation of the National Committee for Employer Support of the Guard and Reserve; to the Committee on Armed Services.

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 228. A resolution making changes to Senate committees for the 106th Congress; considered and agreed to.

By Mr. LOTT:

S. Res. 229. A resolution making certain majority appointments to certain Senate committees for the 106th Congress; considered and agreed to.

By Mr. ENZI (for himself and Ms. LANDRIEU):

S. Res. 230. A resolution expressing the sense of the Senate with respect to government discrimination in Germany based on religion or belief; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROBB (for himself, Mr. SARBANES, and Ms. MIKULSKI):

S. 1885. A bill to amend title 5, United States Code, to provide for more equitable policies relating to overtime pay for Federal employees, limitations on premium pay, and the accumulation and use of credit hours; to the Committee on Governmental Affairs.

EQUITABLE OVERTIME PAY FOR FEDERAL SUPERVISORS AND MANAGERS

Mr. ROBB. Mr. President, I am very pleased to be joined by my colleagues, Senators SARBANES and MIKULSKI, to introduce legislation to pay overtime to federal managers and supervisors more equitably.

I'm proud of our federal workers. Despite seemingly constant assaults, our nation's civil servants have persevered to provide government that is working better and more efficiently than ever. We've seen a streamlined federal government that's continually asked to improve services to its customers—the American people. But with smaller staffs and the push to increase the federal government's productivity, workloads continue to grow. As federal employees' duties grow, the need to work more overtime hours increases as well. Managers, supervisors and other FLSA-exempt employees within the federal government can receive overtime, but the current overtime cap presents two problems to these employees: they earn less working on overtime than they do for the work they perform during the week and they earn less while working

overtime than the employees they supervise. Who then, can blame prospective candidates for supervisory or management positions for declining promotions when remaining in their current, non-supervisory position can mean more money for their families? If the federal government is to continue to recruit and retain a top-notch workforce, then the present overtime cap is one issue that we need to address.

Our legislation will ensure that supervisors and managers neither make less working overtime than they would during regular work hours nor make less working overtime than those they supervise. This bill increases the overtime cap from GS-10 step 1 to GS-12 step 1, the first adjustment in the overtime cap since 1966. Our bill doesn't mandate that overtime be paid; overtime pay will be implemented as it is currently, based on personnel decisions made by individual agencies.

We should encourage incentives to attract bright and capable workers to join the management ranks of the federal government, and this bill is one such incentive. I look forward to working with my colleagues to ensure its consideration and favorable recommendation as quickly as possible.

By Mr. INHOFE (for himself, Mrs. FEINSTEIN, and Mr. SMITH of New Hampshire):

S. 1886. A bill to amend the Clean Air Act to permit the Governor of a State to waive the oxygen content requirement for reformulated gasoline, to encourage development of voluntary standards to prevent and control release of methyl tertiary butyl ether from underground storage tanks, and for other purposes; to the Committee on Environment and Public Works.

OXYGEN CONTENT REQUIREMENT FOR REFORMULATED GASOLINE

• Mrs. FEINSTEIN. Mr. President, I am pleased to join with Senator JAMES INHOFE of Oklahoma, the chairman of the Clean Air Subcommittee, in introducing a bill, S. 1886, to allow the governor of a state to waive the oxygenate content requirement for reformulated or clean-burning gasoline. The bill also requires U.S. EPA to conduct a study on whether voluntary standards to prevent releases of MTBE from underground tanks are necessary.

This is the fifth bill I have introduced in this Congress to address the widespread contamination of drinking water by MTBE in my state. I do this in hopes that this bill will be a straightforward solution to a very serious problem—MTBE detections in ground and surface water in my state and at least 41 other states.

The Clean Air Act requires that cleaner-burning reformulated gasoline (RFG) be sold in areas with the worst violations of ozone standards: Los Angeles, San Diego, Hartford, New York, Philadelphia, Chicago, Baltimore, Houston, Milwaukee, Sacramento. (In addition, some states and areas have opted to use reformulated gasoline as

way to achieve clean air.) Second, the Act prescribes a formula for reformulated gasoline, including the requirement that reformulated gasoline contain 2.0 percent oxygen, by weight.

In response to this requirement, refiners have put the oxygenate MTBE in over 85 percent of reformulated gasoline now in use. MTBE stands for methyl tertiary butyl ether. The problem is that increasingly, MTBE is being detected in drinking water. MTBE is a known animal carcinogen and a possible human carcinogen, according to U.S. EPA. It has a very unpleasant odor and taste, as well.

The Inhofe-Feinstein bill, S. 1886, would allow governors, upon notification to U.S. EPA, to waive the 2.0% oxygenate requirement, as long as the gasoline meets the other requirements in the law for reformulated gasoline.

On July 27, the U.S. EPA Blue Ribbon Panel on Oxygenates in Gasoline recommended that the 2 percent oxygenate requirement be "removed in order to provide flexibility to blend adequate fuel supplies in a cost-effective manner while quickly reducing usage of MTBE and maintaining air quality benefits." In addition, the panel agreed that "the use of MTBE should be reduced substantially." Importantly, the panel recommended that "Congress act quickly to clarify federal and state authority to regulate and/or eliminate the use of gasoline additives that pose a threat to drinking water supplies."

This bill, while not totally repealing the 2 percent oxygenate requirement, moves us in that direction. It gives states that choose to meet clean air requirements without oxygenates to do so. It allows states that choose an oxygenate, such as ethanol, to do so. Areas required to use reformulated gasoline for cleaner air will still be required to use it. The gasoline will have a different but clean formulation. Areas will continue to have to meet clean air standards.

MTBE has contaminated groundwater at over 10,000 sites in California, according to the Lawrence Livermore Laboratory. Of 10,972 groundwater sites sampled, 39 percent had MTBE, says the state Department of Health Services. Of 765 surface water sources sampled, 287 or 38% had MTBE.

Nationally, one EPA-funded study found, of 34 states, MTBE was present more than 20 percent of the time in 27 states. A U.S. Geological Survey report had similar findings. An October 1999 Congressional Research Service analysis concluded that 41 states have had MTBE detections in water.

In California, Governor Davis concluded that MTBE "poses a significant risk to California's environment" and directed that MTBE be phased out in California by December 31, 2002. There is not a sufficient supply of ethanol or other oxygenates to fully replace MTBE in California, without huge gas price spikes and gasoline supply disruptions. In addition, California can make clean-burning gas without oxygenates.

Therefore, California is in the impossible position of having to meet a federal requirement that is (1) contaminating the water and (2) is not necessary to achieve clean air.

On April 12, 1999, Governor Davis asked U.S. EPA for a waiver of the 2% oxygenate requirement. I too wrote U.S. EPA—on May 18, 1999; December 3, 1998; September 29, 1998; September 28, 1998; September 14, 1998; November 3, 1997; September 24, 1997; April 22, 1997; and April 11, 1997. I have met with EPA officials several times and have talked directly to Administrator Carol Browner. To date, EPA has not granted California a waiver of the two percent. Again, today I call on EPA to act. In the meantime, I will continue to urge Congress to act.

Time is of the essence. California Governor Davis is phasing out MTBE in our state, but the federal law requiring 2 percent oxygenates remains, putting our state in an untenable position. Refiners need a long lead time to retrofit their facilities and time is growing short.

A major University of California study released last year concluded that MTBE provides "no significant air quality benefit" but that its use poses "the potential for regional degradation of water resources, especially ground water. . . ." Oxygenates, say the experts, are not necessary for reformulated gasoline.

California has developed a gasoline formula that provides flexibility and provides clean air. Called the "predictive model," it guarantees clean-burning RFG gas with oxygenates, with less than 2 percent oxygenates and with no oxygenates. Several refiners, including Chevron and Tosco, are selling MTBE-free gas in California, for example, in the Lake Tahoe area.

Under S. 1886, air standards would still have to be met and gasoline would have to meet all other requirements of the federal reformulated gasoline program, for example, the limits on benzene, heavy metals, emission of oxides of nitrogen.

This is a minimal bill that will give California and other states the relief they need from a unwarranted, unnecessary requirement. It will allow states that want oxygenates in their gasoline to use them and those that do not to not use them.

The bill does not undo the Clean Air Act. The bill does not degrade air quality.

Importantly, it can stop the contamination of drinking water in many states by MTBE.●

By Mr. ENZI:

S. 1887. A bill to amend the Fair Labor Standards Act of 1938 to provide for an increase in the minimum wage and protect the rights of States that have adopted State minimum wage laws; to the Committee on Health, Education, Labor, and Pensions.

MINIMUM WAGE STATE FLEXIBILITY ACT OF 1999

Mr. ENZI. Mr. President, as I have listened to those Senators who support

an increase in the minimum wage speak today—and I've listened closely—what I've heard them repeatedly say is that the minimum wage is not high enough for workers to afford to put food on the table, pay rent or take care of their families. This is a vital point for any American family, so I've listened carefully to see if anyone who supports an increase could explain why folks in rural states and counties have identical living standards of people residing in New York City or Boston or Los Angeles. Interestingly enough, this question has been essentially left unanswered. No one who supports an increase has been able to explain how wages affect workers differently in different states, and why that matters so much when we are talking about increasing the minimum wage. In an effort to ensure that no worker gets left behind and that we are considering all economic scenarios, I feel compelled to stand up here and talk about it—about why the number of dollars a worker gets paid has a drastically different impact from one state to another and even from one county to another. We must consider how increasing the minimum wage can make jobs in rural states and counties even more scarce; and, about how a wage hike can add even more people to the welfare rolls.

We have heard the old adage that people are entitled to their own opinions, but not their own facts. Well, here are the facts. It costs over twice as much to live in New York City than it does to live in Cheyenne, WY. That's a fact. A \$25,000 salary in Cheyenne has the same buying power as a \$51,000 salary in New York, a \$32,000 salary in Boston, or a \$30,000 salary in Los Angeles. In other words, the average Wyoming worker can buy more than twice as much for the same wage as a worker in Manhattan. Twice as much. To put an even finer point on this staggering disparity, if the average worker in New York City is looking to rent an apartment, she would have to spend a whopping \$2,730 per month—that's almost six times as expensive as the average apartment in Cheyenne. An apartment in Cheyenne only costs \$481 on average per month.

What about buying a home? The price difference between urban cities and rural towns is just as alarming. In New York, the average home costs \$533,000; in Boston, it costs \$244,000 and here in Washington, DC, it costs \$205,000. In Cheyenne, the cost of the average house is much, much less: \$116,000. In other rural towns, it's far below \$100,000—even \$50,000.

Let's look at other necessities. In New York, it is 50 percent more expensive to buy groceries than it is in Cheyenne. In Boston, the cost of utilities are almost double what they are in Cheyenne. And in Los Angeles, medical expenses are a third higher than in Cheyenne. My point is this: the cost of living in New York, or Boston, or Los Angeles is drastically higher than it is in rural towns. This is not one person's

opinion—it's a fact. And so to propose a wage level increase across the board and from coast to coast has an impact on these empirical disparities. It is like saying that rent for every apartment in this country must not be any higher than an apartment rent in rural towns, or that every bag of groceries must not cost any more than what it costs at a small town grocery store. No one would ever propose that, which is the reason I feel the need to ensure that such economic differences are, at the very least, debated.

It is different—supporters of an increase will argue—because the increase just sets a floor, a minimum wage for workers. States like New York, and California, and Massachusetts can tack on to that if they wish. But doesn't that just beg the question? If there is a minimum wage disparity for workers in those states with higher costs of living, then why are we raising the minimum wage in every state just to compensate for those states where it costs more to live? Why are we endangering the economic stability of rural states and counties by not considering this reality?

The raw statistics show that job growth in Wyoming is exactly half of job growth nationwide—it's growing, but just not as quick as we would like. Each year, at least 50 percent of Wyoming's college graduates leave the state, unable to find work because there aren't enough businesses to keep pace. What that translates into is this: if the minimum wage increase passes, rural areas could face fewer jobs than they already provide. What every student who has ever taken an economics course knows is that if you increase the price of something (in this case, a minimum wage job), you decrease the demand for those jobs. Indeed, a survey of members of the American Economic Association revealed that 77 percent of economists believe that a minimum wage hike causes job loss. For states that already struggle just to grow small businesses and increase the number of jobs they produce, such an outcome can be detrimental. And for those parents in Wyoming who tell me over and over again how tired they are of seeing their kids leave the state to attend college elsewhere—simply because there are not enough part-time and full-time entry level jobs to get experience from and help pay for their education. One restaurant owner in a small town told me that he would increase the wage, but that would mean 5 less jobs for bus boys. After the last increase, I also recall college students complaining because college grants—or work studies—were negatively impacted. What happened was that grant amounts weren't increased, so the minimum wage hike resulted in less hours available per student under the grant. Students said that it resulted in a net loss for them. It's because of unforeseen situations like these, I am compelled to bring this issue to the table.

The legislation I'm proposing today is an attempt to save rural states and

counties from losing even more precious jobs because "Inside the Beltway" types think that a minimum wage hike might help workers in higher cost of living states like Massachusetts, California, and New York. This legislation, which I call "State Flexibility," is not a perfect solution. What this bill would do is give some discretion back to the states to decide whether it wants to remain at the increased federal rate of \$6.15 an hour, or whether a wage that's 15 percent under the federal wage works better for the economic growth—and the workers—of that state.

Here's how the bill would work. First, just so that there is no confusion, it would not prevent any federal minimum wage increases from applying nationally. But this legislation would provide state legislators the ability to set the minimum wage for the state, or a county within the state, at 15 percent under the federal floor. This legislation would also allow a Governor on a "temporary" basis to set the minimum wage for a state or a county at 15 percent less than the federal floor for reasons such as high unemployment, slow economic growth or potential harm to the state's welfare-to-work programs. I have listened carefully to the concerns of one-size-fits-all wage hike advocates, who say that the proposed increase is for workers. I agree, which is precisely why I'm advocating this approach—to ensure that welfare-to-work moms and dads living in counties with high unemployment rates aren't excluded. I am confident that nobody in this Chamber wants to leave anyone behind.

I've talked quite a bit today about how increasing the minimum wage would affect the small business owner. Having owned a small business in Wyoming for 27 years, I can speak with some experience about just how detrimental an increase would be on small employers and job growth, and how this legislation would offer some flexibility to rural states and counties. But one area that I've been learning more about is how bad an increase would be on folks who have just recently entered the job market through welfare-to-work programs. What I've read has startled me, and as a former small business owner, the statistics pertaining to rural regions of the country make tangible sense to me. So much sense, in fact, that I am more convinced than ever that just increasing the minimum wage is not as sound a policy as advocates suggest.

First. Just as a minimum wage increase would slow job creation in rural states and negatively affect people who have been employed in their field for years, college students looking for jobs, or new graduates, it would also severely impact welfare recipients looking for work. University of Wisconsin economist Peter Brandon has actually determined that minimum wage hikes actually increase duration on welfare by more than 40 percent.

Second. The Educational Testing Service has concluded that fully two-thirds of welfare recipients have skills that qualify, at best, for entry-level employment, and many fall far below. And what researchers at Boston University have shown is that lower-skilled adults are displaced after a minimum wage hike by teens and students who are perceived as having better skills.

Third. Undoubtedly due to the above, research from Michigan State University shows that minimum wage hikes push as many families into poverty (due to job loss, for example), as they pull out of poverty.

These daunting statistics sound alarms if we haphazardly push through a minimum wage hike that has a heck of a good sound bite, but an awful aftertaste when the dust settles and a number of workers are left behind. This proposal, however, speaks to this point. If a state legislature or a Governor sees a potential for a detrimental impact on welfare to work programs within that state, they can act to keep the rate at 15 percent under the federal floor. This is simple, rational discretion. This legislation instills the same ideals incorporated in the 1996 Welfare Reform Act and the 1998 Workforce Investment Act. Congress and the President entrusted states with administering welfare-to-work and our nation's job training programs. This bill would complement those landmark laws by saying that states can adjust the mandatory wage—ensuring that no worker gets left behind. We must not turn a blind eye when state flexibility matters most.

As chairman of the Senate Subcommittee on Employment, Safety and Training, my colleagues can be assured that the problem of economic disparities spurred by the lack of consideration by federal mandates will continue until we take a closer look. It's real and it deserves our attention. It is my hope that by discussing this bill, the Senate will begin to exclude the politics from the minimum wage debate and start examining the full spectrum of this issue. I am serious about addressing this and I fully intend to debate it during the second session. The media and interest groups have asked that we not politicize the minimum wage. I couldn't agree more, which is why I ask you to carefully consider not leaving anyone behind. I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1887

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Minimum Wage State Flexibility Act of 1999".

SEC. 2. STATE MINIMUM WAGES AND AREA STANDARDS.

(a) IN GENERAL.—Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) is amended by adding at the end the following:

"(h) STATE MINIMUM WAGES.—

"(1) IN GENERAL.—Notwithstanding any other provision of this section and sections 13(a) and 14, an employer in a State that has adopted minimum wage legislation that meets the requirements of paragraph (2) shall pay to each of its employees a wage at a rate that is not less than the rate provided for in such State's minimum wage legislation.

"(2) REQUIREMENT.—This section and sections 13(a) and 14 shall only apply in such States that have adopted minimum wage legislation that sets wages for at least 95 percent of the workers within the State at an hourly rate that is not less than 85 percent of the hourly rate generally applicable for the year involved under subsection (a).

"(3) EMERGENCY CIRCUMSTANCES.—The chief executive officer of a State, through an executive order (or its equivalent), may set wages applicable to at least 95 percent of the employees within the State (or particular county of the State) at an hourly rate that is not less than 85 percent of the hourly rate generally applicable for the year involved under subsection (a) if any of the following circumstances exist:

"(A) The State welfare-to-work programs would be sufficiently harmed by mandating a minimum wage rate above an hourly rate equal to 85 percent of the hourly rate required under subsection (a).

"(B) The State (or county) is experiencing a period of high unemployment.

"(C) The State (or county) is experiencing a period of slow economic growth.

This paragraph shall only apply to an executive order (or its equivalent) that is effective for a period of 12 months or less."

(b) APPLICABILITY OF MINIMUM WAGE TO THE TERRITORIES.—Notwithstanding section 5 of the Fair Labor Standards Act (29 U.S.C. 205), the provisions of section 6 of such Act (29 U.S.C. 206) shall apply to the territories and possessions of the United States (including the Commonwealth of the Northern Mariana Islands) in the same manner as such provisions apply to the States.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on April 1, 2000.

(2) EXCEPTION FOR CERTAIN STATES.—In the case of a State which the Secretary of Labor identifies as having a legislature which is not scheduled to meet prior to the effective date described in paragraph (1) in a legislative session, the date specified in such paragraph shall be the first day of the first calendar quarter beginning after the close of the first legislative session of the State legislature that begins on or after such effective date, and in which a State law described in section 6(h)(2) of the Fair Labor Standards Act of 1938 (as added by subsection (a)) may be considered. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

By Mr. AKAKA (for himself, Mr. INOUE, and Mr. GRAHAM):

S. 1888. A bill to support the protection of coral reefs and other resources in units of the National Park System and other agencies under the administration of the Secretary of the Interior; to the Committee on Energy and Natural Resources.

CAROL REEF RESOURCE CONSERVATION AND MANAGEMENT ACT

Mr. AKAKA. Mr. President, I rise to introduce a bill that will enhance our ability to understand and conserve

coral reef ecosystems and the ocean life that depends on them.

In the past few years, Congress and the administration have recognized the importance of coral reefs to ocean ecologies and grown increasingly concerned about the challenges facing our reefs. 1997 was recognized as "Year of the Reef," and the House passed House Concurrent Resolution 8 which recognized the significance of maintaining the health and stability of coral reef ecosystems by promoting stewardship for reefs. In 1998 the President signed Executive Order 13089 establishing the U.S. Coral Reef Task Force under joint leadership of the Department of Commerce and Department of the Interior. The Executive order directs federal agencies to take steps to protect, manage, research and restore coral ecosystems. The bill I am introducing today supplements these actions by establishing a targeted national program for coral reef research, monitoring, and conservation for areas under the jurisdiction of the Department of the Interior. It is a companion measure to S. 1253, introduced earlier this year by Senator INOUE, that authorizes a coral reef program through the Department of Commerce.

Mr. President, the importance of reefs to our economy, culture, and to the stability of our shorelines is becoming increasingly apparent as we begin to understand more about the interdependence of reefs and human activity. Substantial research shows that reefs are under greater stress than ever before, both from natural causes and human-induced damage. We need to act now before the decline of reefs becomes irreversible.

This measure authorizes coral reef research and conservation efforts through the Department of the Interior. The Department manages over 2,000 acres of sensitive coral reef habitat and adjacent submerged land at 20 national wildlife refuges and 9 units of the National Park System in Hawaii, Florida, the U.S. Virgin Islands, and the territories of Guam and American Samoa in the Pacific. Of the 4.2 million acres of reefs in the United States, few have been mapped, assessed, or characterized. There is still much to learn about the location and biology of coral reefs, their susceptibility to disease, and how they can be restored and sustained.

This measure establishes a coral reef conservation matching grant program that will leverage federal monies with non-federal funds raised through a non-profit foundation. This initiative is consistent with the efforts of the President's Coral Reef Task Force established by Executive Order No. 13089, and with the activities of other agencies, such as the National Oceanic and Atmospheric Administration, that are involved in coral reef research, monitoring, restoration and conservation.

Under my legislation, the Secretary of the Interior is authorized to provide grants for coral reef conservation

projects in areas under the Department's jurisdiction, through a merit-based, competitive program. Grants will be awarded on a 75 per cent federal and 25 per cent non-federal basis. The Secretary may also enter into an agreement with one or more foundations to solicit private funds dedicated to coral conservation programs. Up to 80 percent of the funding will be distributed equally between the Atlantic/Caribbean and the Pacific Ocean, and 20 percent of the funding can be used for emerging priorities or threats identified by the Secretary in consultation with the Coral Reef Task Force. Grants may be made to any relevant natural resource management authority of a State or territory of the United States, to other government authorities with jurisdiction over coral reefs as well as to educational or non-governmental institutions or organizations with demonstrated expertise in coral reef conservation. Priority will be given to projects that promote reef conservation through cooperative projects with local communities; that involve non-governmental organizations, academic or private institutions or local affected governments; that enhance public knowledge and awareness of coral reef resources; and that promise sound scientific information on the extent, nature and condition of reef ecosystems.

Most importantly, this legislation encourages community-based conservation efforts that involve local communities, nongovernmental organizations, and academic institutions in the protection of reefs. It brings people and communities together to participate in, and learn more about, the conservation of ocean resources—coral reefs and the many species that depend on reef ecosystems. Only by making ordinary people responsible for reef conservation, can we alter the types of human activity and behavior that are responsible for the adverse impacts on coral reefs that we glimpse today.

Mr. President, the people of Hawaii, our Nation's only insular state, are perhaps more aware of the subtle and interdependent relationship we have with coral reefs.

But all citizens should appreciate that the health of coral reefs is emblematic of the health of our oceans—upon which we depend for so many resources, from clean water to food to pharmaceuticals. Coral reefs are the rain forests of the ocean—a wild, beautiful, complex bountiful resource whose importance to life on earth, much less ourselves, is only beginning to be understood. But the harsh reality is that we are going to lose our reefs if we do not act soon, before we fully understand their role in the great web of marine life.

There are simply more people on the globe, in more places in the ocean, than ever before. Boats, anchors, snorkelers and divers are entering the water in increasing numbers. We are removing things from the water at an increasing rate—exotic salt water fish

for home aquariums and pieces of coral for houses and home decor. The amount of sediment and pollution runoff onto coral reefs increases with every major shoreline development. It is vital that we start now, to research and preserve our reefs, before human impacts cause irreversible damages to a resource whose essential role in nature is only just beginning to be understood.

Thank you, Mr. President. I urge my colleagues to support this legislation, which represents a critical step in helping us understand and live sustainably with coral reef ecosystems.

I ask unanimous consent that the bill be printed in the RECORD.

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

S. 1888

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Coral Reef Resource Conservation and Management Act of 1999".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) coral reefs have great commercial, recreational, cultural, environmental, and aesthetic value;

(2) coral reefs—

(A) provide habitat to 1/3 of all marine fish species;

(B) are essential building blocks for biodiversity;

(C) are instrumental in forming tropical islands;

(D) protect coasts from waves and storms;

(E) contain an array of potential pharmaceuticals; and

(F) support tourism and fishing industries in the United States worth billions of dollars;

(3) studies indicate that coral reefs in the United States and around the world are being degraded and severely threatened by human and environmental impacts, including land-based pollution, overfishing, destructive fishing practices, vessel groundings, and climate change;

(4) the Department of the Interior—

(A) manages extensive acreage that contains sensitive coral reef habitat and adjacent submerged land at 20 national wildlife refuges and 9 units of the National Park System—

(i) in the States of Hawaii and Florida; and

(ii) in the territories of Guam, American Samoa, and the United States Virgin Islands; and

(B) maintains oversight responsibility for additional significant coral reef resources under Federal jurisdiction in insular areas, territories, and surrounding territorial waters in the Pacific Ocean and Caribbean Sea;

(5) few of the 4,200,000 acres of coral reefs of the United States have been mapped or have had their conditions assessed or characterized;

(6) the Department of the Interior conducts scientific research and monitoring to determine the structure, function, status, and condition of the coral reefs of the United States; and

(7) the Department of the Interior, in cooperation with public and private partners, provides technical assistance and engages in management and conservation activities for coral reef habitats.

(b) PURPOSES.—The purposes of this Act are—

(1) to conserve, protect, and restore the health of coral reef ecosystems and the species of fish, plants, and animals that depend on those ecosystems;

(2) to support the monitoring, assessment, management, and protection of coral reef ecosystems over which the United States has jurisdiction (including coral reef ecosystems located in national wildlife refuges and units of the National Park System);

(3) to augment and support the efforts of the Department of the Interior, the National Oceanic and Atmospheric Administration, and other members of the Coral Reef Task Force;

(4) to support research efforts that contribute to coral reef conservation;

(5) to support education, outreach, and enforcement for coral reef conservation;

(6) to provide financial resources and matching funds for partnership efforts to accomplish the purposes described in paragraphs (1) through (4); and

(7) to coordinate with the Coral Reef Task Force and other agencies to address priorities identified by the Coral Reef Task Force.

SEC. 3. DEFINITIONS.

In this Act:

(1) **CORAL.**—The term “coral” means any species of the phylum Cnidaria, including—

(A) any species of the order Antipatharia (black corals), Scleractinia (stony corals), Gorgonacea (horny corals), Stolonifera (organpipe corals and others), Alcyonacea (soft corals), or Coenothecalia (blue corals), of the class Anthozoa; and

(B) any species of the order Hydrocorallina (fire corals and hydrocorals) of the class Hydrozoa.

(2) **CORAL REEF.**—The term “coral reef” means the species (including reef plants and coralline algae), habitats, and other natural resources associated with any reef or shoal composed primarily of corals within all maritime areas and zones subject to the jurisdiction of the United States, including Federal, State, territorial, or commonwealth waters in the south Atlantic, the Caribbean, the Gulf of Mexico, and the Pacific Ocean.

(3) **CORAL REEF CONSERVATION PROJECT.**—The term “coral reef conservation project” means an activity that contributes to or results in preserving, sustaining, or enhancing any coral reef ecosystem as a healthy, diverse, and viable ecosystem, including—

(A) any action to enhance or improve resource management of a coral reef, such as assessment, scientific research, protection, restoration and mapping;

(B) habitat monitoring and any species survey or monitoring of a species;

(C) any activity necessary for planning and development of a strategy for coral reef management;

(D) community outreach and education on the importance and conservation of coral reefs; and

(E) any activity in support of the enforcement of laws relating to coral reefs.

(4) **CORAL REEF TASK FORCE.**—The term “Coral Reef Task Force” means the task force established under Executive Order No. 13089 (June 11, 1998).

(5) **FOUNDATION.**—The term “foundation” means a foundation that is a registered nonprofit organization under section 501(c) of the Internal Revenue Code of 1986.

(6) **SECRETARY.**—The term “Secretary” means the Secretary of the Interior.

(7) **STATE.**—The term “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Mariana Islands, or any other territory or possession of the United States.

SEC. 4. CORAL REEF RESOURCE CONSERVATION GRANT PROGRAM.

(a) **IN GENERAL.**—The Secretary shall provide grants for coral reef conservation projects in accordance with this section.

(b) **ELIGIBILITY.**—The Secretary may award a grant under this section to—

(1) any appropriate natural resource management authority of a State—

(A) that has jurisdiction over coral reefs; or

(B) the activities of which affect coral reefs; or

(2) any educational or nongovernmental institution or organization with demonstrated expertise in marine science or coral reef conservation.

(c) **MATCHING REQUIREMENTS.**—

(1) **FEDERAL SHARE.**—Except as provided in paragraph (3), the Federal share of the cost of a coral reef conservation project that receives a grant under this section shall not exceed 75 percent of the total cost of the project.

(2) **NON-FEDERAL SHARE.**—The non-Federal share of the cost of a coral reef conservation project that receives a grant under this section may be provided in cash or in kind.

(3) **WAIVER.**—The Secretary may waive all or part of the matching requirement under paragraph (1) if—

(A) the cost of the project is \$25,000 or less; or

(B) the project is necessary to undertake, complete, or enhance planning and monitoring requirements for coral reef areas under—

(i) the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.); or

(ii) the Act entitled “An Act to establish a National Park Service, and for other purposes”, approved August 25, 1916 (16 U.S.C. 1 et seq.).

(d) **ALLOCATION.**—The Secretary shall award grants under this section so that—

(1) not less than 40 percent of the grant funds available are awarded for coral reef conservation projects in the Pacific Ocean;

(2) not less than 40 percent of the grant funds available are awarded for coral reef conservation projects in the Atlantic Ocean, the Gulf of Mexico, and the Caribbean Sea; and

(3) the remaining grant funds are awarded for coral reef conservation projects that address emergency priorities or threats identified by the Secretary, in consultation with the Coral Reef Task Force.

(e) **ANNUAL FUNDING PRIORITIES.**—After consultation with the Coral Reef Task Force, States, regional and local entities, and nongovernmental organizations involved in coral and marine conservation, the Secretary shall identify site-specific and comprehensive threats and constraints that—

(1) are known to affect coral reef ecosystems (including coral reef ecosystems in national wildlife refuges and units of the National Park System); and

(2) shall be considered in establishing annual funding priorities for grants awarded under this subsection.

(f) **PROJECT REVIEW AND APPROVAL.**—

(1) **IN GENERAL.**—The Secretary shall review and rank coral reef conservation project proposals according to the criteria described in subsection (g).

(2) **PEER REVIEW.**—

(A) **IN GENERAL.**—For projects that have a cost of \$25,000 or more, the Secretary shall—

(i) provide for merit-based peer review of the proposal; and

(ii) require standardized documentation of the peer review.

(B) **EXPEDITED PROCESS.**—For projects that have a cost of less than \$25,000, the Secretary shall provide an expedited peer review process.

(C) **INDIVIDUAL GRANTS.**—As part of the peer review process for individual grants, the Secretary shall make available a list describing projects selected during the previous fiscal year for funding under subsection (g).

(3) **LIST.**—At the beginning of each fiscal year, the Secretary shall make available a list describing projects selected during the previous fiscal year for funding under subsection (g).

(g) **PROJECT APPROVAL CRITERIA.**—The Secretary shall evaluate and select project proposals for funding based on the degree to which each proposed project—

(1) is consistent with the purposes of this Act; and

(2) would—

(A) promote the long-term protection, conservation, restoration, or enhancement of coral reef ecosystems in or adjoining areas under the jurisdiction of the Department of the Interior;

(B) promote cooperative conservation projects with local communities, nongovernmental organizations, educational or private institutions, affected local governments, territories, or insular areas;

(C) enhance public knowledge and awareness of coral reef resources and sustainable use through education and outreach;

(D) develop sound scientific information on the condition of and threats to coral reef ecosystems through mapping, monitoring, research and analysis; and

(E) increase compliance with laws relating to coral reefs.

(h) **REGULATIONS.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), not later than 90 days after the date of enactment of this Act, the Secretary shall promulgate regulations to implement this Act.

(2) **PROJECT APPROVAL.**—Not later than 180 days after the date of enactment of this Act, the Secretary shall promulgate regulations to implement subsection (f), including requirements for project proposals.

(3) **CONSULTATION.**—In developing regulations under this subsection, the Secretary shall identify priorities for coral reef resource protection and conservation in consultation with agencies and organizations involved in coral and marine conservation, including—

(A) the Coral Reef Task Force;

(B) interested States;

(C) regional and local entities; and

(D) nongovernmental organizations.

(i) **ADMINISTRATION.**—

(1) **FOUNDATION INVOLVEMENT.**—

(A) **AGREEMENTS.**—The Secretary may enter into an agreement with 1 or more foundations to accept, receive, hold, transfer, solicit, and administer funds received or made available for a grant program under this Act (including funds received in the form of a gift or donation).

(B) **FUNDS.**—A foundation that enters into an agreement described in subparagraph (A) shall—

(i) invest, reinvest, and otherwise administer funds described in subparagraph (A); and

(ii) maintain the funds and any interest or revenues earned in a separate interest-bearing account that is—

(I) an insured depository institution, as the term is defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813); or

(bb) an insured credit union, as the term is defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752); and

(II) established by the foundation solely to support partnerships between the public and private sectors that further the purposes of this Act.

(2) REVIEW OF PERFORMANCE.—

(A) IN GENERAL.—Beginning in fiscal year 2000, and biennially thereafter, the Secretary shall conduct a review of each grant program administered by a foundation under this subsection.

(B) ASSESSMENT.—Each review under subparagraph (A) shall include a written assessment describing the extent to which the foundation has implemented the goals and requirements of this section.

(j) TRANSFERS.—

(1) IN GENERAL.—Under an agreement entered into under subsection (i)(1)(A), the Secretary may transfer funds appropriated under section 5(b) to a foundation.

(2) USE OF TRANSFERRED FUNDS.—Amounts received by a foundation under this subsection may be used for matching, in whole or in part, contributions (whether in currency, services, or property) made to the foundation by private persons and State and local government agencies.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated to carry out this Act \$20,000,000 for each of fiscal years 2000 through 2004, to remain available until expended.

(b) LIMITATION ON ADMINISTRATIVE FUNDS.—Not more than 6 percent of the amounts appropriated under this section may be used for program management and administration under this Act.

By Mr. GRAMS:

S. 1889. A bill to amend the Congressional Budget Act of 1974 to provide for joint resolutions on the budget, reserve funds for emergency spending, strengthened enforcement of budgetary decisions, increased accountability for Federal spending; accrual budgeting for Federal insurance programs, mitigation of the bias in the budget process toward higher spending, modifications in paygo requirements when there is an on-budget surplus, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that when one Committee reports, the other Committee have thirty days to report or be discharged.

COMPREHENSIVE BUDGET PROCESS REFORM ACT OF 1999

Mr. GRAMS. Mr. President, we are now in the final stages of completing the FY 2000 Appropriation bills. We will soon end the first session of the 106th Congress. Looking back, I must say, we have had some successes, and I am proud of these achievements. However, the biggest failure, in my judgment, is that we have failed to learn the lessons from our past two years' experience and we have failed to maintain fiscal discipline due to our seriously flawed budget process.

That's why I rise today to introduce legislation that would reform the federal budget process, strengthen fiscal discipline, and restore government accountability to ensure that taxpayers are fully represented in Washington.

Mr. President, after last year's abuse of the budget/appropriation process, many of us realized that the federal budget process became a reckless game in which the team roster was limited to a handful of Washington politicians and technocrats while the taxpayers

were relegated to the sidelines. This not only weakened the nation's fiscal discipline but also undermined the system of checks and balances established by the Constitution.

At the beginning of the 106th Congress, I argued repeatedly in this chamber that the key to a successful Congress was to pursue comprehensive budget process reforms. I introduced legislation to achieve these goals. I was pleased that Senate leaders included budget process reform as one of the top five priorities in the 106th Congress. Unfortunately, that commitment has not yet materialized.

As a result, this year's appropriation process is almost a play-by-play of 1998. Congress over-used advanced appropriations, and used directed scoring, emergency spending and other budgetary techniques to dodge fiscal discipline and significantly increase government spending.

Mr. President, our failure can be traced to our seriously flawed budget process. Twenty-five years ago, Congress tried to change its budget practices and get spending under control by passing the Congressional Budget Act. Yet, over these 25 years, our national debt has grown from \$540 billion to \$5.7 trillion.

Spending is at an all-time high, and so are taxes. The budget process has become so complicated that most lawmakers have a hard time understanding it. Of course, that hasn't stopped the proliferation of budget smoke and mirrors to circumvent the intent of the Congress. The flawed process allows members to vote to control spending in the budget and then turn right around and vote for increased appropriations. The process encourages spending increases rather than spending control. It encourages continued fiscal abuse, waste, and irresponsibility.

Clearly, we need to immediately pursue comprehensive reform to ensure the integrity of our budget and appropriations process and avoid repeating the same mistakes we made in the past two years. We must do this early in the year before we begin to face appropriation pressures.

This is why I am introducing the Comprehensive Budget Process Reform Act. This legislation is the companion bill of HR 853, which was a bipartisan effort led by Congressmen NUSSLE and CARDIN. It has been reported by the House Budget Committee. There are also a number of good budget reform proposals in the Senate I have earlier supported. Reforms introduced by our Budget Committee Chairman Senator Domenici are important and I strongly support his leadership in this area. My legislation is complementary to but broader than Senator Domenici's efforts.

Mr. President, let me highlight my legislation. The legislation will force us to pass a legally-binding federal budget, set aside funds each year in the budget for true emergencies; strength-

en the enforcement of budgetary controls; enhance accountability for Federal spending; display unfunded liabilities for Federal insurance programs; mitigate the bias toward higher spending, modify Pay-As-You-Go (PAYGO) procedures to accommodate budget surpluses; and ensure the Social Security surplus will be protected.

The core of the legislation will provide for an annual joint budget resolution, rather than a concurrent resolution, thus making it a legally binding budget through a law requiring the President's signature.

I believe this is a critical step in reforming the budget process. If Congress and the President agree on a Joint Budget Resolution at the beginning of the process, appropriators in Congress would be legally bound to stay within those spending limits. It forces confrontation at the earliest stages of the budget process, leaving adequate time for legislating detail and minimizing disputes at the end of the process which threaten to shutdown the government.

The second component of the bill will redefine emergency spending and create a reserve fund to pay for emergencies. Emergency spending was traditionally used for unanticipated wars and natural disasters that took life and severely damaged property. Because emergency spending today is effectively exempt from congressional spending controls, Congress and the Administration have used this as an opportunity to bust the budget for a lot of spending that isn't emergency related at all.

Last year alone, Congress appropriated \$35 billion for so-called emergencies. This year again, over \$24 billion of emergency spending is appropriated. Since 1991, emergency spending has totaled over \$145 billion. Most "emergencies" were used to fund regular government programs, not unanticipated events. Emergency spending is sought as a vehicle to add on even more spending priorities. This has gone too far. We need a better way to budget for emergencies. Most of this spending can be planned within our budget limits. Even natural disasters happen regularly—why not budget for them?

My legislation will end this abuse of emergency spending. It requires both the President and the Congress to budget up front for emergencies by setting aside dollars in an emergency reserve fund. The reserve fund will contain an amount at least equal to the 5-year historical average of amounts provided for true emergencies. It includes a clear definition of "emergencies." My legislation prohibits release of funds from the reserve pending Budget Committee certification that: (1) A situation has arisen that requires funding for "the prevention or mitigation of, or response to, loss of life or property, or a threat to national security", and (2) The situation is "unanticipated"—with "unanticipated" defined as sudden, urgent, unforeseen, and temporary.

In the event that Congress and the President fail to agree on annual appropriation measures by October 1, my legislation will allow the budget resolution signed into law earlier in the year to automatically kick in. This will effectively prevent any future government shutdowns due to disagreements on spending priorities between Congress and the Administration.

Mr. President, the 1995 federal government shutdown is still fresh in our minds. It was the longest shutdown in history and caused financial damage and inconvenience to millions of Americans when the President refused to support a Balanced Budget Act and tax relief for Americans. The shutdown shook the American people's confidence in their government and in their elected officials.

Since 1997, I, along with Senator McCain, have been advocating an automatic continuing resolution, or CR, as we call it, to prevent a government shutdown. I was able to obtain a commitment from the Senate leadership of both parties to pursue this legislation separately in the near future. But no action has followed. If we had an automatic CR, we would not have to go through bitter battles at the end of every fiscal year.

The virtue of an automatic CR is that it would allow us to debate issues concerning spending policy and the merits of budget priorities while we continue to keep essential government functions operating. The American taxpayer will no longer be held hostage to a government shutdown.

Mr. President, there will always be plenty of uncertainties involved in our budget and appropriations process. The automatic kick-in of the budget resolution in the bill I introduce today will work the same as my automatic CR.

Another flaw of the budget process is so-called budget baselines. When a government program is going to increase by 4.5 percent per year, anyone with common sense would think that is a budget increase, not a budget "cut." But under baseline budgeting it could mean "cut." Lee Iaccoca once stated that if business used baseline budgeting the way Congress does, "they'd throw us in jail."

This is a typical budget gimmick. Any proposed spending levels below current baselines are perceived as program reductions, allowing some politicians to claim savings while permitting others to claim increases. Baseline budgeting is biased in favor of more spending. It is not honest budgeting but rather very misleading. My legislation would require Congress and the President to use this year's actual spending total as the baseline for the next year's budget. If we decide to spend more than the current year, we are increasing the budget. If we spend less, we are cutting it. Let's call a spade a spade.

Mr. President, we have entered an era of budget surplus. It is estimated that in the next ten years, our strong

economy will generate an over \$1 trillion non-Social Security surplus. If we don't return this surplus to taxpayers in the form of tax relief and debt reduction, the government will spend it all. However, the current budget process limits our ability to provide tax relief for working Americans.

The budget law requires that all tax cuts be offset with tax increases or cuts in entitlement programs such as Medicare. Tax cuts may not be paid for by cutting discretionary spending, such as wasteful government programs. This rule, called the PAYGO rule, applies regardless of whether there is a surplus or deficit. The PAYGO rule effectively limits options with respect to reducing taxes because it precludes using spending cuts in discretionary programs to offset tax cuts. Thus there is a built-in bias in favor of higher levels of spending and taxation in the current budget process.

My legislation would amend Pay-As-You-Go requirements to permit any portion of the on-budget surplus, excluding Social Security, to be used for tax cuts.

Related to the PAYGO rule reform, my legislation also creates a lockbox to lock in every penny that is saved from floor amendments to appropriations bills and use it to reduce federal government spending. Spending levels in the budget resolution and any caps on discretionary spending would be automatically reduced by the amount in the floor amendment.

The bill requires committees to submit a plan for reauthorizing all programs within their jurisdictions in 10 years. It also prohibits the Congress from considering a bill that creates a new spending program unless it is sunset within 10 years. My legislation also guarantees Members the right to offer amendments subjecting proposed entitlements to the enhanced oversight of the appropriations process.

Under the current budget process, we have over 20 budget functions, and a half dozen different committees with jurisdiction over one budget function. This has complicated the process greatly. To simplify the process, my bill collapses the 20 non-enforceable budget functions currently used into total (aggregate) spending and revenue levels, with separate categories for discretionary and mandatory spending. It is simple, and easy enough for everyone to understand.

Mr. President, a number of the Federal insurance programs (excluding Social Security and Medicare) that have a looming impact on the federal budget are not included in our budget process. The liabilities caused by these programs could be enormous. Budgeting for these liabilities will give us better control over long-term programs. My legislation requires the Congressional Budget Office and the Office of Management and Budget to report periodically on long-term budgetary trends, to help make Members aware of the future budgetary implications of spending programs.

Finally, Mr. President, it's vitally important that we save the entire Social Security surplus, not for government spending, not for tax relief, but exclusively for Social Security.

I believe we need an enforcement mechanism to ensure that Congress and the President do not touch the Social Security surplus. My legislation requires that if any fiscal year's appropriations end up spending the Social Security surplus, a sequestration will be automatically triggered to reduce government spending across the board in the amount of the Social Security surplus that was used. Entitlement programs like Social Security and Medicare would not be cut. In addition, the bill reaffirms the protected status of Social Security under the current budgetary law.

Mr. President, it is true that our short-term fiscal situation has improved greatly due to the continued growth of our economy. However, our long-term financial imbalance still poses a major threat to the health of our future economic security. Without budget process reform, we will find ourselves again and again making the same mistakes which result in bigger government, more spending and more abuse. We need to spend more time on oversight and reauthorizing expiring programs rather than on endless budget battle at the end of every fiscal year.

President Reagan summed up the real problem of our budget process when he pointed out "this budget process does not serve the best interests of the nation, it does not allow sufficient review of spending priorities, and it undermines the checks and balances established by the Constitution."

If the Congress adopts the Comprehensive Budget Process Reform Act, it will ensure a budget process that serves the best interests of the nation and allow for careful policy and spending deliberation. That's why I am introducing this legislation today. I urge my colleagues to support this measure.

By Mr. L. CHAFEE:

S. 1891. A bill to amend the Elementary and Secondary Education Act of 1965 to improve literacy through family literacy projects; to the Committee on Health, Education, Labor, and Pensions

THE LITERACY INVOLVES FAMILIES TOGETHER ACT

Mr. L. CHAFEE. Mr. President, today I have the enormous honor of introducing legislation to renew and strengthen the Even Start Family Literacy Act. On October 1, 1985, my father stood at this desk, where I stand today, and introduced the Even Start Act. He did so because of his profound commitment to the most vulnerable and disadvantaged members of our society. As I introduce this bill, which attempts to break the cycle of illiteracy that divides our Nation into haves and have nots, I do so in an effort to continue that commitment to disadvantaged Americans.

Last week, an identical bill was introduced in the House of Representatives by BILL GOODLING, chairman of the House Committee on Education and the Workforce. Chairman GOODLING introduced the original Even Start Act in the House on May 16, 1985. Both versions of the Even Start Act were reintroduced in the 100th Congress and became law as part of the Hawkins-Stafford Elementary and Secondary Improvement Act Amendments of 1987.

There are approximately 40 million Americans who suffer from illiteracy. Like a disease, illiteracy often goes undetected. Like a disease, illiteracy too often is passed from generation to generation. Like a disease, illiteracy is painful for families to endure. There is no certain cure for illiteracy, but by renewing and expanding the Even Start Family Literacy Program, we offer tens of thousands of families hope for a better future.

There are many controversies related to education policy at the local, state and federal levels. There are heartfelt, passionately held opinions about everything from funding levels to particular teaching techniques. Nevertheless, there are a few things on which nearly everyone agrees: parents are their children's first and most important teachers, and children who are read to early and often do better in school than children who are not.

As the father of three young children, reading together is a part of daily life that I take for granted. I suspect that it is difficult for most of the members of this body to imagine what it would be like not to have the ability to sit down with your children or grandchildren to read a favorite story. But for millions of Americans, reading a bedtime story or helping with a son or daughter's homework assignment is impossible.

The Even Start Family Literacy Act brings families together to learn. Parents who do not have a high school degree or its equivalent are eligible for this program. They learn the basic educational skills that enable them to improve their own situations and, perhaps even more importantly, they learn the skills they need to help their children in school. At the same time, children from birth to age 8 receive appropriate educational services.

The bill I am introducing makes two notable changes in the Even Start program. First, it enables a child, who also is receiving title I services, to remain in the Even Start program beyond age 8. It also requires Even Start programs to utilize research-based teaching techniques for children. In addition to these improvements, it authorizes the Institute for Literacy to investigate the most effective means of improving adults' literacy skills, and it increases the authorization level to \$500 million so that more families can be served.

Currently, there are four Even Start programs in Rhode Island receiving

federal funds. Each of these programs serves between 25 and 40 families. In Newport, the Sullivan School Children's Opportunity Zone/Family Center has entered into an Even Start partnership with New Visions—the local Head Start provider, the Newport Public Library, the Florence Gray Center—which provides housing for low-income families, the Community College of Rhode Island and the Newport Hospital. Half of its participants are non-English readers.

In Woonsocket, the Fairmont School is the Even Start center, with partners from Literacy Volunteers of Northern Rhode Island and Woonsocket Head Start, among others. Three cities and towns—Johnston, North Providence, and Smithfield, have joined together to create the Tri-Town Community Action Even Start Program. Finally, the Cunningham School Even Start Program has established a partnership with Pawtucket Public Schools and Libraries, the Pawtucket Day Nursery, and a range of education and social service providers.

Each of these programs has utilized existing early childhood and adult education services. Together they are striving to address the needs of the whole family.

In the 12 years since the Even Start Program first was created, our nation has been propelled into the information age. Americans are increasingly dependent on technology for a wide range of needs and services. This new age magnifies our need for a literate society. As we continue to experience technological advancements, the educationally disadvantaged fall further behind. I believe that the Even Start Family Literacy Act as reauthorized by this bill—the Literacy Involves Families Together Act—is critically important to our Nation's children, our Nation's families, and our Nation's future.

I see Senator JEFFORDS on the floor. Before I yield to him, I thank him for his generosity to me and for his leadership in the area of education. Chairman JEFFORDS has the daunting task of leading the Senate's efforts to reauthorize the Elementary and Secondary Education Act. From what I know of Senator JEFFORDS, this major undertaking couldn't be in more able hands.

Mr. President, I urge my colleagues to join me as cosponsors of this bill.

Mr. JEFFORDS. Mr. President, we were all deeply saddened just a few days ago at the death of Senator John Chafee. Certainly, that sadness can never diminish completely. But having his son with us today and starting right off by introducing an excellent piece of legislation certainly brings us strong hope for the future.

Mr. President, I commend the Senator from Rhode Island for introducing the Literacy Involves Families Together Act, the LIFT Act. This legislation reauthorizes one of the most effective education programs, Even Start.

The Even Start Act was first introduced in 1985 by Representative BILL

GOODLING, chairman of the House Education and Workforce Committee, and our former colleague, Senator John Chafee.

When first created, the goal of the Even Start program was to develop a comprehensive literacy program that improves educational opportunities for disadvantaged families by focusing on parenting education, early childhood education, and adult education. Since its establishment a little over a decade ago, Even Start has grown from 76 local programs serving 2,500 families to an estimated 600 programs assisting over 36,000 parents and 48,000 children.

The most recent evaluation of the Even Start program illustrated that both the adults and children who participated in the program significantly improved their reading and basic education skills. The evaluation specifically pointed out that the educational gap that existed at the beginning of the school year for first term Even Start students was reduced by approximately two-thirds when the Even Start students were tested at the conclusion of the school year.

The most recent national survey of reading achievement by fourth graders indicates that forty-four percent of school age children in this nation are reading below a basic level of achievement.

Sadly, the statistics are also dismal when analyzing adult literacy skills. The most recent National Adult Literacy Survey found a total of 44 million adults, almost 25 percent of the adult population in the United States, were at the lowest literacy level. The lowest literacy level means that 44 million adults in this country have demonstrated difficulty in the reading and writing skills essential for carrying out daily routines. The uniqueness of the Even Start program is that it provides services to the entire family—it enables families to learn together.

I commend my colleague from Rhode Island for making literacy a very high priority. I am especially pleased that he chose to sponsor the reauthorization of the Even Start program which was first introduced to this body by his father.

I look forward to working with the Senator from Rhode Island on the Literacy Involves Families Together Act, the LIFT Act, as a part of the reauthorization of the Elementary and Secondary Education Act which the Senate will consider early next year and on other education and literacy initiatives that will enable all of our Nation's citizens to have the knowledge and skills necessary to compete in the global economy.

I again commend the Senator from Rhode Island for being out here so fast and quick with a very important piece of legislation. I share his enthusiasm and look forward to working with him.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 1892. A bill to authorize the acquisition of the Valles Caldera, to provide

for an effective land and wildlife management program for this resource within the Department of Agriculture, and for other purposes; to the Committee on Energy and Natural Resources.

THE VALLES CALDERA PRESERVATION ACT

Mr. DOMENICI. Mr. President, in Northern New Mexico there is a truly unique working ranch on an historic Mexican land grant known as Baca Location No. 1. The ranch is currently owned and managed by the Baca Land and Cattle Company, and it comprises most of a collapsed, extinct volcano known as the Valles Caldera. The Valles Caldera is a beautiful place with rolling meadows, crystal-clear streams, roaming elk, and vast stands of Ponderosa pines. I am very proud to announce we are introducing legislation today that will authorize the Secretary of Agriculture to acquire this property which is a truly unique 95,000 acre working ranch in New Mexico.

For Senator BINGAMAN and I, and a few others working on this issue, this is a not-so-instant replay from last year. Last year around this time, Senator BINGAMAN and I announced that we had reached agreement with the President on a comprehensive plan to acquire the Baca Ranch and, at the same time, to provide for disposal of designated surplus land from the Federal inventory. Those two concepts, embodied in Titles I and II of last year's bill, have survived in this new bill.

Title I provides for an innovative trust structure to manage this ranch, when it is purchased by the Federal Government. Title II provides a process for compensating citizens who await Federal payment for land trapped within vast areas of Federal land, so-called "inholders", and the orderly disposal of Federal land that has already been declared surplus by the Federal Government.

As you may recall, Senator BINGAMAN began this process with his purchase bill in 1997. The process of purchasing the Baca Ranch for the public was jump-started last summer when President Clinton and I, flying on Air Force One to Washington, reached an agreement on the concept of an innovative trust arrangement to manage the Baca, if it were to become part of Federal land holdings. The President's response led to a number of rounds of negotiations between representatives of the Administration and our offices.

Finally, after literally thousands of hours of discussion at all levels, agreement was reached, we introduced the bill and a similar one was introduced in the House of Representatives. And, in what I frankly admit was almost miraculous, we were able to persuade Congress to provide \$40 million in last year's appropriations process as earnest money for any Baca Ranch purchase that might be authorized by Congress.

Then, unexpected disaster struck. The owners of the Baca Ranch decided

not to sell the land after all. I said to many of you then that I thought the purchase was dead.

However, like Lazarus the Baca Ranch purchase lives again. I must thank Senator BINGAMAN for his leadership in this matter, Congresswoman WILSON for her extremely effective work behind the scenes in the House to promote the purchase, and the new Congressman from Santa Fe, Mr. UDALL, for his support. And, I must thank the Administration for its commitment.

This kind of cooperation has brought us to this day of good news. Today, Senator BINGAMAN and I again introduce a bill to authorize both the purchase of the Baca Ranch by the federal government and the orderly disposal of surplus lands in order to pay for debts the government owes to "inholders." I understand that Representatives WILSON and UDALL will introduce companion legislation in the House.

Now, let's talk for a moment about the \$101 million price tag the Baca Ranch purchase carries. The \$40 million that we won last year from the Appropriations process had been spent. The President didn't ask for it in his budget, logically, since he thought the ranch was no longer for sale. And, the Interior Appropriations Subcommittees in the House and Senate failed to appropriate the \$40 million for the same reason—it seemed that the purchase was dead.

However, the President recently announced a \$101 million purchase agreement between the federal government and the Dunigan family, the current owners of the Baca Ranch. Quickly, we jumped to action, and in October, the New Mexico delegation succeeded in restoring the \$40 million originally approved last year for the purchase. As a member of the Senate Interior Appropriations Subcommittee, I have been involved in talks between congressional negotiators and the White House over several issues in the FY 2000 Interior Appropriations Bill. Those talks have led to a tentative agreement to provide an additional \$61 million, on top of the \$40 million restored in October, for the Baca Ranch purchase. If the \$101 million appropriation becomes law, its release would be subject to congressional authorization of the land acquisition, as well as a review of the ranch appraisal by the Comptroller General of the United States.

This is a terrific development and could very well help in moving this authorizing legislation through Congress next year. The drive to bring this beautiful ranch into public ownership has helped gain this funding. As important as the money, however, is retaining the dual nature of this legislation. This bill contains two major titles: one to authorize purchase of the Baca Ranch, which draws most of the headlines; and the other to begin a major reform in federal land management. The President has signed onto both; we have signed onto both. Both Titles must

eventually become law in order for the Baca Ranch purchase to proceed.

I have visited the Baca Ranch, and I can tell you that it is one beautiful piece of property. The Valles Caldera is one of the world's largest resurgent lava domes. The depression from a huge volcanic eruption over a million years ago is more than a half-mile deep and fifteen miles across at its widest point. The land was originally granted to the heirs of Don Luis Maria Cabeza de Vaca under a settlement enacted by Congress in 1860. Since that time, the property has remained virtually intact as a single, large, tract of land.

The careful husbandry of the Ranch by the Dunigan family provides a model for sustainable land development and use. The Ranch's natural beauty and abundant resources, and its proximity to large municipal populations could provide numerous recreational opportunities for hiking, fishing, camping, cross-country skiing, and hunting. The Baca is a unique working ranch. It is not a wilderness area, and can best be protected for future generations by continuing its operation as a working asset through a unique management structure. This legislation provides that unique management under a trust that may allow for its eventual operation to become financially self-sustaining.

Mr. President, because of the ranch's unique character, I am not interested in having it managed under the usual federal authorities, as is typical of the Forest Service, Bureau of Land Management, or the National Park Service. Under the current state of affairs on our public lands, Forest Service and BLM management is constantly hounded by litigation initiated by some of the same groups that wish to bring this ranch into government ownership. The Valles Caldera National Preserve will serve as a model to explore alternative means of federal management and will provide the American people with opportunities to enjoy the Valles Caldera and its many resources.

The unique nature of the Valles Caldera, and its resources, requires a unique management program, dedicated to appropriate development and preservation under the principle of the highest and best use of the Ranch in the interest of the public. Title I of this legislation provides the framework necessary to fulfil that objective. It authorizes the acquisition of the Baca Ranch by the Forest Service. At the same time, it establishes a government-owned corporation, called the Valles Caldera Trust, whose sole responsibility is to ensure that the ranch is managed in a manner that will preserve its current unique character, and provide enumerable opportunities for the American people to enjoy its splendor. Most importantly to me, however, the legislation will allow for the ranch's continued operation as a working asset for the people of north-central New Mexico, without further drawing on the thinly-stretched resources of the federal land management agencies.

I would like to emphasize that both portions of this bill are milestones in federal land management. This legislation independently addresses the acquisition of this unique property for public use and enjoyment, while solving current land management problems related to surplus land disposal and the acquisition of inholdings from owners who truly want to sell their land.

Currently, approximately one-third of New Mexico's land is in federal ownership or under federal management. These public lands are an important resource that require our most thoughtful management. In order to better conserve existing national treasures for future use and enjoyment, we have devised a good plan to dispose of surplus land through sale or exchange into private, State, or local government ownership.

In many cases, it is just too costly to keep this unneeded land under federal ownership, and it can be more effectively managed in other hands. Title II of this bill, the Federal Land Transaction Facilitation Act, calls for the orderly disposition of surplus federal property on a state by state basis, and provides land managers with needed tools to address the problem created by "inholdings" within federally managed areas. There are currently more than 45 million acres of privately owned land trapped within the boundaries of Federal land management units, including national parks, national forests, national monuments, national wildlife refuges, and wilderness areas.

In other cases, however, landowners who want out have been waiting generations for the Federal Government to set aside funding and get around to acquiring their property. This legislation directs the Departments of the Interior and Agriculture to reach out to those property owners who want to sell their land. It also instructs the Departments to establish a priority for the acquisition of these inholdings based, in part, on how long the owner has been waiting to sell.

An issue related to the problem created by inholdings is the abundance of public domain land which the Bureau of Land Management has determined it no longer needs to fulfill its mission. Under the Federal Land Policy and Management Act of 1976, the BLM has identified an estimated 4 to 6 million acres of public domain lands for disposal.

Let me simply clarify that point—the BLM already has authority under an existing law, FLPMA, to exchange or sell lands out of Federal ownership. Through its public process for land use planning, when the agency has determined that certain lands would be more useful to the public under private or local governmental control, it is already authorized to dispose of these lands, either by sale or exchange.

The sale or exchange of this land would be beneficial to local communities, adjoining land owners, and federal land managers, alike.

An orderly process for the efficient sale or exchange of land identified for disposal does not currently exist. The Federal Land Transaction Facilitation Act addresses this problem by providing that a portion of the proceeds generated from the sale of these lands will be used to fulfill all legal requirements for the transfer of these lands out of Federal ownership. The majority of the proceeds generated would be used to acquire inholdings from those who want to sell their land.

The Senate Energy and Natural Resources Committee will schedule hearings to address the many issues regarding Federal purchase of the Baca Ranch in the near future. Congress has tried to resolve the difficult challenges in acquiring this property before, and failed; cooperation among the parties may bring success this time around. I want to thank everyone who has helped in this 18-month-long effort. I believe that in the end, we will be able to stand together and tell the American people that we truly have accomplished two great and innovative things with this legislation.

Mr. President, I am confident that if we get an Interior appropriations bill, the money will be in it. Everyone should know that it is subject to two conditions: A full authorization bill being passed and signed and subject to the General Accounting Office reviewing the procedures for the appraisal of the property and assuring the Congress of what they have done, in a sense with the expertise that is consistent with what must be used in order to satisfy Congress that there is a fair purchase price involved in the agreement.

I yield the floor to my colleague, Senator BINGAMAN.

Mr. BINGAMAN. Mr. President, I thank my colleague and very much appreciate the leadership he has shown on this important issue as well. This is a truly bipartisan effort we have made on behalf of New Mexico. This is not just an issue of the 106th Congress. This is an issue that our State has been pursuing for many decades. Back in the early 1960s, one of our predecessors in the Senate, Senator Clinton Anderson, made a valiant effort to bring the Baca Ranch into Federal ownership so the public could enjoy it and so its preservation could be assured for future generations.

After 3 years of effort in that direction, he abandoned the effort because of the infighting that occurred among competing interests. Then, Mr. President, over two years ago I rose in this chamber to introduce a bill to authorize the acquisition of the Baca Location #1, a ranch which comprises about ninety percent of the magnificent Valles Caldera. Today I rise to cosponsor a bill with Sen. DOMENICI that will not only authorize purchase of the Baca Ranch, but also a unique method of management for this property.

A world renowned volcanic caldera sweeping approximately fifty miles in circumference, the Valles Caldera is

the ecological heart of the Jemez Mountains. It's unparalleled vast upland meadows broken by forested volcanic domes and intertwined with 27 miles of winding trout streams, are home to a stunning variety of wildlife including: mountain lions, black bear, whitetail deer, redtail hawks, eagles, and wild turkey. It has also been the breeding ground for one of the largest elk herds in the lower forty-eight states.

There has been a desire on the part of the Dunigan family, the current owners of that land, to see that it go into public ownership, and the father of the of the current owners made that attempt before he died. They have recently decided they want to carry through with that wish of his and accordingly, as Senator DOMENICI indicated, the negotiations between the Dunigan family and the Federal Government have proceeded and now have come to a good resolution. This presents us with an incredible opportunity for the American people.

The potential of this land is enormous:

It could be used as a grassbank to allow ranchers to rest and rehabilitate hundreds of thousands of acres of public range land in New Mexico without having to lose production in the process;

It could provide incredible opportunities for scientific study and education, in the geophysical and biological sciences;

It currently is, and could continue to be, one of the premier hunting and fishing destinations in the country;

It's scenic value makes it an ideal location for the film industry. In fact it has often been used as a backdrop for movies, TV series, and commercials;

It presents amazing opportunities for outdoor recreation including, hiking, camping, horseback riding, cross-country skiing, and photography; and

As with many of the scenic wonders in my home state of New Mexico, there are places within the caldera that are of tremendous cultural significance to various Native American tribes in the area.

Clearly if this property were to be brought into public ownership it should be managed to preserve its incredible natural condition, while maintaining a balance with the various ways it could be used and enjoyed. The experiment called for in this bill sets out broad policy goals for the land (to preserve its natural treasures and to make it financially self-sustaining) and establishes a nine member board of trustees that shall set management policy for what would become the Valles Caldera Preserve. By requiring that each trustee have experience from differing but critical perspectives, this trust may be able to reach a balance that will meet the needs of the land and the public.

The nine members of this board would include:

(1) the Supervisor of the Santa Fe National Forest;

(2) the Superintendent of Bandelier National Monument;

(3) a person with expertise in range management and the livestock industry;

(4) a person with expertise in fish and wildlife management including game and non-game species;

(5) a person with expertise in sustainable forest management;

(6) an active participant in a conservation organization;

(7) a person with financial management and business expertise;

(8) a person with expertise in the cultural and natural history of the region; and finally;

(9) someone active in the State or local government in New Mexico familiar with the customs of the local area.

At least five of these trustees would be required to be residents of New Mexico. It would be an experiment, and would expire within twenty years unless it proves successful and is renewed by Congress.

A second part of this bill, not related to the management of the Valles Caldera Preserve, seeks to address the goal of the Federal land management agencies to consolidate their land holdings, by first helping to promote the sale of the widely scattered parcels of land that the Bureau of Land Management has designated "suitable for disposal," and secondly by using the proceeds of those sales towards the acquisition of inholdings within our public lands, areas of critical environmental concern, and other lands of exceptional resource value. This program would be authorized for ten years.

Just as the Baca Ranch can be seen as a large inholding surrounded by federal land which is worthy of public ownership, there are many other inholdings in our national parks, forests, wildlife refuges and public lands, where private owners are willing and eager to sell to government. At the same time, there are some two million acres of public land that the BLM has determined are too remote, isolated, or otherwise situated to make management more of a burden than a benefit to the Federal tax payer.

Often these lands are small 20 and 40 acre parcels surrounded by, or forming checker boarded areas with, private or state land. Though consolidating these lands has long been a goal of Federal land managers, the costs of surveying the land for endangered species, archeological artifacts, and for the purpose of determining a fair market value has hampered these efforts. This bill would create a mechanism to accelerate this work.

Mr. President, this bill is important because it holds the real promise of bringing the entire Valles Caldera into public ownership after so many failures in the past. It represents a compromise which Sen. DOMENICI and I have worked on with the Administration, the House Members of the New Mexico delegation, and with some consultation with the majority staff of the Energy & and

Natural Resources Committee. We have also received innumerable comments from various constituencies.

Like all negotiated legislation, each constituency and interest group would like to change a piece here or there. However, I believe it is overall a good bill which meets the broadest concerns raised by those constituencies and should be viewed as a whole rather than in pieces. My sincere hope is that we will be able to pass it substantially as it is early next session.

The other issue that Senator DOMENICI spoke to is the appropriating of funding for the purchase. I also am extremely pleased with that. I know the administration has felt strongly that we should try to get the full funding for the purchase of the ranch accomplished in this session of the 106th Congress before we adjourn. I know Senator DOMENICI has worked hard to accomplish that. I also worked with the Appropriations Committee members and the administration to full fund this purchase. I am very pleased to know that we are going to see that full appropriation at such time as we have an Interior appropriations bill signed into law.

This is an important effort for the State of New Mexico. I believe when the 106th Congress is finally completed, not the end of this week or next week but a year from now, when we look back and see what was accomplished in that 106th Congress that is important to the State of New Mexico and the people of New Mexico, this acquisition of the Baca Ranch will be at the top of the list.

I very much appreciate the good bipartisan effort that has gone into this.

By Mr. BOND:

S. 1893. A bill to amend the Indian Gaming Regulatory Act to prohibit the Secretary of the Interior from taking land into trust for Indian tribes for gaming purposes under certain conditions, and for other purposes; to the Committee on Indian Affairs.

GAMING CLARIFICATION ACT OF 1999

Mr. BOND. Mr. President, today I am introducing a Senate companion bill to legislation sponsored in the other body by the distinguished Representative from southwestern Missouri (Mr. BLUNT). This bill intends to clarify the application of the Indian Gaming Regulatory Act, or IGRA, in Missouri.

Specifically, this bill would prevent Indian Tribes from setting up casino gambling operations in areas of Missouri where non-Indians currently are prohibited from gambling. This is vitally important, if for no other reason than to maintain harmony in these communities. It is also essential to preserve the family-friendly atmosphere that draws so many vacationers to these areas. Branson, Missouri, in particular, has attained national fame as an extraordinarily beautiful area, with fun activities and entertainment suitable for parents and children alike.

An invasion of gambling into this setting would wreck this tremendous

asset. It would bring all the well-known pathologies and social problems that accompany gambling. I oppose introducing gambling into these areas and will do all I can to fight it. We must protect the family spirit that makes Branson a national destination for vacationers. We must do likewise for other Missouri communities that offer similar sanctuaries from the hyperactive stress of modern life, as well as great places for residents to raise children, build homes, and do business.

The bill I introduce today is very similar to one I offered in 1997. That bill would also have prevented Tribally owned casinos in areas of Missouri where non-Indian casinos are currently illegal. It became necessary when a Tribe in Oklahoma applied to put land in the small town of Seneca, Missouri into trust status for gambling purposes. They wanted to operate a casino where no one else could do so legally and to do so despite overwhelming community objection. Fortunately, the Interior Secretary indicated to me that he would not approve that application, and the Tribe ultimately withdrew its gambling application. Thus, the issue was satisfactorily resolved without legislation.

More recently, however, a flurry of applications has been filed to put Indian-owned land into trust for non-gambling activities. I am glad the Tribes are finding that non-gambling activities, as proposed uses for these lands, can be more beneficial and more friendly to their communities and neighbors. However, a great many of my constituents are concerned that these trust applications might make it easier to apply for gambling later. They worry that some Tribes might be seeking to approve gambling casinos through the back door. This bill will eliminate that concern by clarifying the meaning of the Indian Gaming Regulatory Act with respect to Missouri.

When the Congress adopted IGRA in 1988, it intended for a State's general policy toward gambling to be considered in evaluating applications by Indian Tribes to start casino operations. Drawing upon past court decisions in this area, the Congress provided that a Tribe might be eligible to conduct casino gambling on their lands in a State "that permits such gambling for any purpose by any person, organization, or entity." Once a State decides to move away from a criminal/prohibitory stance toward gambling, and adopts instead a civil/regulatory stance, Tribes are to have the opportunity to engage in gambling in that State as well. To that end, they may ask the State to negotiate a compact to regulate those casinos.

Generally, this approach helps ensure public peace while also ensuring the Tribes get to participate in gambling on more-or-less the same basis as non-Indians in the State. If the people of a State, through their legislature or through direct legislation, decide to legalize casino gambling "by any person,

organization, or entity," they cannot simply exclude the Tribes in favor of whatever non-Indian gambling companies might have the inside track in the State government. The Tribes are to have the same opportunity as the non-Indian companies.

But, if the people of a State maintain a general prohibition on gambling—whether as an expression of moral opposition or for some other reason—the Tribes will also need to respect this public opinion just like everyone else. I believe this is the situation in Missouri, whose constitution includes just such a general prohibition on casino gambling, with an exception for casinos based on the Missouri and Mississippi Rivers.

Article III of the Missouri Constitution sets out the powers of the Missouri General Assembly. Section 39 of that article makes certain things expressly outside of the legislature's authority. This is where the State's general prohibition on gambling appears. "The General Assembly shall not have power," it says, "to authorize lotteries or gift enterprises for any purpose, and shall enact laws to prohibit the sale of lottery or gift enterprise tickets." It says prohibit, not regulate.

Gambling, in general, is still prohibited by State law. Under section 572.020 of the Missouri Revised Statutes, "the crime of gambling" is a class C misdemeanor, unless committed by a professional player, in which case the crime is a class D felony. This means the crime of gambling is punishable by fine of up to \$300 in the case of a misdemeanor. A professional player may be fined up to \$5,000 or twice the amount of any gain received, up to a limit of \$25,000. These criminal offenses also carry potential prison sentences, of 15 days for a misdemeanor and up to 5 years for felony gambling.

The State constitution does not give the General Assembly authority to legalize these crimes. The power to legalize gambling was withheld from the General Assembly by the express terms of the constitution. Any change would require a constitutional amendment, ratified by the voters of Missouri.

The voters did exercise their authority to authorize very limited exceptions, without removing the general prohibition on legalized gambling. In the case of casino gambling, the voters authorized the General Assembly to legalize certain games only on excursion gambling boats and floating facilities docked along the Missouri and Mississippi Rivers. Again, the voters granted these limited exceptions without disturbing the general constitutional prohibition on gambling, which is a criminal offense elsewhere in the State.

The initiative that created this exception took this approach because many areas of Missouri have strong objections to gambling casinos. Particularly in southwest Missouri, many citizens hold strong moral objections to gambling. Many others simply fear

that gambling would destroy the family atmosphere that makes the Branson area a desirable and unique vacation spot. Still others are concerned that gambling disproportionately preys on the hopes of the poor, making it a particularly regressive economic activity.

We can see this expression of the community's view in the votes that were cast on the Missouri and Mississippi riverboat casino initiative. In the November 1994 election, voters in Taney county (where Branson is located) voted against the casino initiative 73% to 27%. In Greene county (where southwest Missouri's largest metropolitan area of Springfield is located), 58% of voters opposed the riverboat casinos. Finally, in Newton county (the home of Seneca, Missouri, where a Tribe once sought to impose a casino on the local residents), 62% of voters opposed the constitutional amendment.

Knowing the strength of these communities' opinions on gambling in general, the sponsors of the initiative petition drive had no real alternative but to leave the general gambling prohibition intact while carving out a very narrow geographic exception for Missouri's two major rivers. Otherwise, the initiative would almost certainly have failed statewide as well. Therefore, the constitutional amendment reassured southwest Missourians that they likely would not feel the change directly—it would affect only the two rivers far away from them, and would not bring casinos into the family oriented Branson and Springfield areas. The general constitutional prohibition on gambling stayed in force.

The limited exception for riverboat casinos, therefore, did not change the State's posture on gambling from a criminal/prohibitory one to a civil/regulatory one. In areas such as the Branson, Missouri area, gambling is still a criminal offense. IGRA's requirement that the State negotiate to allow Tribally owned casinos is not triggered, since casino gambling in that area is not permitted by "any person, organization, or entity." As I mentioned earlier, that's the language IGRA uses to trigger a State's obligation to negotiate with the Tribes to create a regulatory compact.

Tribes wanting to operate casinos on the Missouri or Mississippi Rivers might have a case under IGRA, since there are persons, organizations, or entities authorized to gamble there. But this is not true in Branson, Springfield, or other areas off the rivers where gambling is still prohibited and where the General Assembly lacks constitutional authority to legalize it even if it wanted to.

This view of IGRA is not undermined, as some claim, by the Mashantucket Pequot case decided in 1990. In that case, the Mashantucket Pequots sued Connecticut to force the State to negotiate a casino gambling compact because the State authorized "Las Vegas

Nights" as a fundraising activity for certain nonprofit organizations. Connecticut had argued that the occasional Las Vegas Nights did not mean that the State had decriminalized gambling in general.

However, those nonprofits authorized to operate casinos, even on a very occasional basis, fall within the express language of "any person, organization, or entity" used in IGRA, which is what the Second Circuit Court of Appeals found. Allowing nonprofits to engage in some forms of casino gambling did move the State of Connecticut into a civil/regulatory stance on casino gambling. The State did not absolutely prohibit it; it regulated the type of organization permitted to engage in gambling. Thus, IGRA was triggered by the express language of the law.

This is completely different from the situation in Missouri, where all persons, organizations, and entities are flatly prohibited, by criminal law, from casino gambling anywhere but on the Missouri and Mississippi Rivers. The Mashantucket Pequot case does not apply to the Missouri situation. Geographic limitations, like in Missouri, were not at issue in that case.

Thus, the language of this bill does not really change the current policy of IGRA. It simply makes explicit what is already plainly implicit under current legislation and case law. It would take express notice of the provision in Missouri's constitution on gambling and recognize that Missouri still maintains a criminal/prohibitory stance toward gambling off the rivers.

Because some pro-gambling advocates are attempting to read the Mashantucket Pequot case too broadly, trying to make it apply to Missouri when it clearly does not, this bill is essential. In the past, a number of Tribes have tried to use that argument to try to set up casinos in Missouri—even in a small town like Seneca, nowhere near the Missouri or Mississippi Rivers. Because some people are trying to read into the Mashantucket Pequot case a view that is really not there, this bill writes into law the correct interpretation.

I appreciate the hard work my colleague in the other chamber did on this bill, and am glad to have the opportunity to resolve this issue once and for all.

By Mr. THOMAS (for himself and Mr. ENZI):

S. 1894. A bill to provide for the conveyance of certain land to Park County, Wyoming; to the Committee on Energy and Natural Resources.

NORTH CODY, WY LAND CONVEYANCE

Mr. THOMAS. Mr. President, I am pleased to introduce a bill today to provide for the conveyance of economic development land for Park County, WY.

The management of our public lands and natural resources is often complicated and requires the coordination of many individuals to accomplish desired objectives. When western folks

discuss Federal land issues, we do not often have an opportunity to identify proposals that capture and enjoy the support from a wide array of interests; however, the bill Senator ENZI and I are introducing today offers just such a unique prospect. Project coordinators and involved parties have spent a great deal of time incorporating the concerns of various individuals by presenting their plans to agency and congressional representatives.

This parcel of land was identified by the Bureau of Land Management and Bureau of Reclamation as an unsuitable area for public domain and the agencies have recommended that it be disposed of by the Federal Government. The Park County Commissioners subsequently approached the Wyoming Congressional Delegation about allowing the county to pursue economic development efforts that would be beneficial to the local town and surrounding communities. Specifically, this legislation is needed to allow the Federal Government to sell approximately 190 acres of land to Park County, WY for the appraised value of \$240,000. The county commissioners intend to work with an economic development group to attract new businesses to the area and allow other companies to expand at an industrial park adjacent to the conveyance land.

Mr. President, this bill enjoys the support of many different groups including county government officials as well as the local community. This proposal will provide for the creation of a number of private sector jobs in a county that has 82 percent Federal land ownership. It is my hope that the Senate will seize this opportunity to allow a local community to improve their livelihoods and economic prospects.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1894

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

SECTION 1. CONVEYANCE OF LAND TO PARK COUNTY, WYOMING.

(a) FINDINGS.—Congress finds that—

(1) the parcel of land described in subsection (d) has been withdrawn from the public domain for reclamation purposes and is managed by the Bureau of Reclamation;

(2) the land has been subject to a withdrawal review, a level I contaminant survey, and historical, cultural, and archaeological resource surveys by the Bureau of Reclamation;

(3) the Bureau of Land Management has conducted a cadastral survey of the land and has determined that the land is no longer suitable for return to the public domain; and

(4) the Bureau of Reclamation and the Bureau of Land Management concur in the recommendation of disposal of the land as described in the documents referred to in paragraph (2).

(b) DEFINITIONS.—In this Act:

(1) COUNTY.—The term "County" means Park County, Wyoming.

(2) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(c) CONVEYANCE.—In consideration of payment of \$240,000 to the Secretary by the County, the Secretary shall convey to the County all right, title, and interest of the United States in and to the parcel of land described in subsection (d).

(d) DESCRIPTION OF PROPERTY.—The parcel of land described in this subsection is the parcel located in the County comprising 190.12 acres, the legal description of which is as follows:

Sixth Principal Meridian, Park County, Wyoming		
T. 53 N., R. 101 W.		Acres
Section 20, S½SE¼SW¼ASE¼		5.00
Section 29, Lot 7		9.91
Lot 9		38.24
Lot 10		31.29
Lot 12		5.78
Lot 13		8.64
Lot 1404
Lot 15		9.73
S½NE¼NE¼NW¼		5.00
SW¼NE¼NW¼		10.00
SE¼NW¼NW¼		10.00
NW¼SW¼NW¼		10.00
Tract 101		13.24
Section 30, Lot 31		16.95
Lot 32		16.30

(e) RESERVATION OF RIGHTS.—The instrument of conveyance under subsection (c) shall reserve all rights to locatable, salable, and leasable oil and gas reserves.

(f) LEASES, EASEMENTS, RIGHTS-OF-WAY, AND SPECIAL USE PERMITS.—The conveyance under subsection (c) shall be subject to any land use leases, easements, rights-of-way, and special use permits in existence as of the date of the conveyance.

(g) ENVIRONMENTAL LIABILITY.—

(1) LIABILITY OF THE FUTURE OWNERS.—

(A) FINDING.—Congress finds that—

(i) the United States has in good faith exercised due diligence in accordance with applicable laws (including regulations), in an effort to identify any environmental contamination on the parcel of land described in subsection (d); and

(ii) the parcel is free of any environmental contamination.

(B) RELEASE FROM LIABILITY.—The United States holds harmless and releases from all liability any future owners of the conveyed land for any violation of environmental law or other contamination problem arising from any action or inaction of any tenant of the land that vacates the lease before the date of the conveyance under subsection (c).

(2) LIABILITY OF TENANTS.—A tenant of the parcel of land described in subsection (d) on the date of the conveyance or thereafter shall be liable for any violation of environmental law or other contamination problem that results from any action or inaction of the tenant after the date of the conveyance.

(h) USE OF LAND.—The conveyance under subsection (c) shall be subject to the condition that the County—

(1) use the land for the promotion of economic development; or

(2) transfer the land to a local organization formed for the purpose of promoting economic development.

(i) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (c) as the Secretary considers appropriate to protect the interests of the United States.

By Mr. LEAHY (for himself and Mr. BAUCUS):

S. 1896. A bill to amend the Public Building Act of 1959 to give first priority to the location of Federal facilities

in central business areas, and for other purposes; to the Committee on Environment and Public Works.

THE DOWNTOWN EQUITY ACT OF 1999

Mr. LEAHY. Mr. President, I am pleased to be joined today by my good friend, the senior senator from Montana, Senator BAUCUS, in introducing the "Downtown Equity Act of 1999."

The location of federal buildings and facilities have a tremendous impact on local communities. We are introducing the "Downtown Equity Act" to ensure that the federal government is a good neighbor that promotes the vibrancy of communities throughout the country.

Guidance for federal agencies on the location of their facilities exists in two executive orders. Unfortunately, these directives are at times inconsistent with each other and have been used to support different goals. This became clear to me when I worked closely with the General Services Administration (GSA), the Immigration and Naturalization Service (INS) and the city of Burlington. In 1998, I called together a meeting with all these interested parties to discuss eligible locations for a new INS facility in downtown Burlington. Officials from the city cited one executive order about locating buildings in downtown areas while INS officials countered with another executive order that promotes the location of federal facilities in rural areas. Instead of complementing one another to promote a reasonable policy, the two executive orders are negating each other and clearly neither have enough teeth to result in the policy proclaimed in either order.

Mr. President, managing a city is a difficult enough task. Mayors and city managers across the country should not have to also wade through dueling executive orders when they share the same goals as the Administration to re-energize town centers. The federal government needs to set a clear policy on the location of federal buildings in downtown areas. Without legislation to clarify this policy, agencies make decisions about the location of buildings and operations that can undercut the viability of central business districts, encourage sprawl, degrade the environment, and have an adverse impact on historical economic development patterns. Federal facilities should be sited, designed, built and operated in ways that contribute to—not detract from—the economic well-being and character of our cities and towns. Federal facilities can have a tremendous impact and we need to make sure that location decisions do not erode the character and quality of life in our cities and towns. I want to prevent a repeat of the experiences in Vermont, and I know that Senator BAUCUS has many of the same concerns in Montana.

The Downtown Equity Act of 1999 clarifies the intention of these dueling executive orders by directing federal officials to give priority to locating federal facilities in central business

areas. This bill does not pit urban areas versus rural areas, but instead promotes the siting of these facilities in downtown areas—urban or rural. By adopting this legislation, the Federal government can become a leader in the effort to limit sprawl and support the economic vitality of central business areas.

There is a fundamental problem with development that our bill also tries to address: it's more expensive to build and rent in a traditional downtown area than to build on an empty site outside of a business district. Downtown areas have great difficulty competing in the procurement process because of the higher costs generally associated with downtown areas. Sometimes, despite the best intentions of federal officials, sites with the lowest absolute cost are predisposed to win. This approach is too simplistic. Our "Downtown Equity Act of 1999" directs the General Services Administration to study the feasibility of establishing a system for giving equal consideration to both the absolute and adjusted costs of locating in urban and rural areas, and between projects inside and outside of central business areas. While the absolute cost of projects will always be important, a more balanced and robust consideration of the costs of a project is needed.

The benefits of limiting sprawl, supporting historic development patterns, and revitalizing our downtown central business areas can mitigate the higher costs associated with constructing, leasing, and operating Federal establishments inside central business areas. Unless the overriding mission of the agency or economic prudence absolutely dictate otherwise, location of Federal facilities should be supportive of local growth management plans for downtown central business areas.

When Federal landlords or tenants arrive in town, we have every right to expect that they will be good neighbors. Beyond that, the Federal government also needs to be a leader in the effort to limit sprawl and protect the environment and the character of our cities and towns. Livable and thriving central business districts can be a renewable resource, and the Federal government should be part of the solution, not part of the problem.

Senator BAUCUS and I look forward to working with our colleagues and with the Executive Branch to bring much needed reform to the decision-making process that governs the siting of Federal facilities. We all recognize that decisions to prevent or limit sprawl will always be made locally, but the Federal Government can do much to help our communities act on their decisions. And, the Federal Government must stop being an unwitting accomplice to sprawl by siting buildings outside of downtown areas.

Mr. President, I ask unanimous consent that the text of the bill, and a section-by-section summary of the bill be printed in the RECORD.

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

S. 1896

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Downtown Equity Act of 1999".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that locating Federal facilities in central business areas—

(1) strengthens the economic base of cities, towns, and rural communities of the United States and makes them attractive places to live and work;

(2) enhances livability by limiting sprawl and providing air quality and other environmental benefits; and

(3) supports historic development patterns.

(b) PURPOSES.—The purposes of this Act are—

(1) to ensure that Federal agencies recognize the implications of the location of Federal facilities on the character, environment, economic development patterns, and infrastructure of communities;

(2) to ensure that the General Services Administration and other Federal agencies that make independent location decisions give first priority to locating Federal facilities in central business areas;

(3) to encourage preservation of historic buildings and stabilization of historic areas; and

(4) to direct the Administrator of General Services to study the feasibility of establishing a system for meaningful comparison of Federal facility procurement costs between central business areas and areas outside central business areas.

SEC. 3. LOCATION OF FEDERAL FACILITIES.

(a) IN GENERAL.—The Public Buildings Act of 1959 (40 U.S.C. 601 et seq.) is amended by adding at the end the following:

"SEC. 22. LOCATION OF FEDERAL FACILITIES.

"(a) PRIORITY FOR CENTRAL BUSINESS AREAS.—

"(1) IN GENERAL.—Except as provided in paragraph (2) and as otherwise provided by law, in locating (including relocating) Federal facilities, the head of each Federal agency shall give first priority to central business areas.

"(2) EXCEPTION.—The priority required under paragraph (1) may be waived if location in a central business area—

"(A) would materially compromise the mission of the agency; or

"(B) would not be economically prudent.

"(b) IMPLEMENTATION.—

"(1) ACTIONS BY ADMINISTRATOR.—The Administrator shall—

"(A) promulgate such regulations as are necessary to implement the requirements of subsection (a) with respect to locating Federal facilities—

"(i) in public buildings acquired under this Act; and

"(ii) in leased space acquired by the Administrator under section 210(h) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(h)); and

"(B) report annually to Congress—

"(i) on compliance with subsection (a) by the Administrator in carrying out—

"(I) public building location actions under this Act; and

"(II) lease procurement actions under section 210(h) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(h)); and

"(ii) on compliance with this section by Federal agencies—

"(I) in acting under delegations of authority under this Act; and

"(II) in the case of lease procurement actions, in using leasing authority delegated under the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

"(2) ACTIONS BY FEDERAL AGENCIES.—Each Federal agency shall—

"(A) comply with the regulations promulgated by the Administrator under paragraph (1)(A); and

"(B) report annually to the Administrator concerning—

"(i) the actions of the Federal agency in locating public buildings under this Act; and

"(ii) lease procurement actions taken by the Federal agency using leasing authority delegated under the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.)."

(b) DEFINITIONS.—Section 13 of the Public Buildings Act of 1959 (40 U.S.C. 612) is amended by adding at the end the following:

"(8) CENTRAL BUSINESS AREA.—The term 'central business area' means—

"(A) the centralized business area of a community, as determined by local officials; and

"(B) any area adjacent and similar in character to a centralized business area of a community, including any specific area that may be determined by local officials to be such an adjacent and similar area.

"(9) FEDERAL FACILITY.—The term 'Federal facility' means the site of a project to construct, alter, purchase, or acquire (including lease) a public building, or to lease office or any other type of space, under this Act or the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.)."

SEC. 4. STUDY OF PROCUREMENT COST ASSESSMENT METHODS.

(a) DEFINITIONS.—In this section, the terms "central business area" and "Federal facility" have the meanings given the terms in section 13 of the Public Buildings Act of 1959 (40 U.S.C. 612).

(b) STUDY.—Not later than 2 years after the date of enactment of this Act, the Administrator of General Services shall conduct a study and report to Congress on the feasibility of establishing a system for—

(1) assessing and giving equal consideration to the absolute and adjusted comparable costs (as determined under paragraph (2)) of—

(A) locating Federal facilities in rural areas as compared to locating Federal facilities in urban areas;

(B) locating Federal facilities in central business areas of rural areas as compared to locating Federal facilities in rural areas outside central business areas; and

(C) locating Federal facilities in central business areas of urban areas as compared to locating Federal facilities in urban areas outside central business areas;

(2) for the purposes of paragraph (1), adjusting the absolute comparable costs referred to in that paragraph to correct for the inherent differences in property values between rural areas and urban areas; and

(3) assessing and giving consideration to the impacts on land use, air quality and other environmental factors, and to historic preservation, in the location of Federal facilities.

(c) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts made available under any other law, there is authorized to be appropriated to carry out this section \$200,000 for each of fiscal years 2001 and 2002.

SUMMARY OF THE DOWNTOWN EQUITY ACT OF 1999

The "Downtown Equity Act of 1999" clarifies a multitude of Federal laws and regulations governing the location of Federal office

space and other facilities by requiring that first priority be given to central business areas. Currently, the location of federal offices and other facilities is governed by several different laws and executive orders, which often creates confusion and conflict. For instance, current law gives a strong preference to locating Federal facilities in rural areas, while an Executive Order (No. 12072) promotes the location of Federal facilities in central business areas. These conflicting policies can have serious adverse consequences to communities, such as promoting sprawl and contributing to the decline of downtown areas.

The "Downtown Equity Act of 1999" seeks to eliminate this confusion by establishing a clear, statutory preference for locating Federal facilities in central business areas, both in rural and urban areas. Thus, Federal facilities will help strengthen the economic base of cities, towns and rural communities and make them more attractive places to live and work. Locating Federal facilities in downtown areas will also support historic development patterns, limit sprawl, and have other important environmental benefits.

The bill also requires the General Services Administration (GSA) to study the feasibility of establishing a procurement assessment system which considers both the absolute and adjusted costs of locating Federal facilities between central business areas and outside those areas.

SECTION-BY-SECTION ANALYSIS

Section 1. Title.

Section 2. Finding and Purposes

Section 3. Amends the Public Buildings Act of 1959 (40 USC 601 et seq.) to add a new section establishing a preference for locating Federal facilities in central business areas in both rural and urban areas. This preference could be waived if locating a facility in such area would either materially compromise the mission of the agency or would not be economically prudent. GSA is required to adopt rules to implement this provision and also to report annually to the Congress on the location of Federal agencies under this section. This section also defines "central business area" as the centralized business area determined by local officials.

Section 4. This section requires that within two years, the GSA conduct a study and report to Congress on the feasibility of establishing a system for comparing the absolute and adjusted costs of locating Federal facilities in rural areas as compared to urban areas and in central business areas as compared to outside central business areas. The bill authorizes a total of \$400,000 for the study.

Mr. BAUCUS. Mr. President, I am pleased to join with my colleague from Vermont, Senator LEAHY in introducing the Downtown Equity Act of 1999. This bill will make the federal government a better partner with local officials when it comes to locating federal offices in a community. It will establish in statute a clear preference for federal offices to be located in the central business areas of a community. Why is this important?

We all know the many problems facing community leaders as they chart the future course of their cities and towns. They must balance development patterns, employment, historic preservation, city services, transportation, and many other factors to arrive at a plan that makes the most sense for them.

In many cases, the Federal government is a major source of employment

and economic activity in these communities. That is particularly true in smaller cities and towns, where federal employees can make up a larger percentage of the employment base than in our large metropolitan areas.

But too often, local officials find themselves battling with federal agencies over where to locate, or relocate, Federal facilities. The desires of agencies to locate on the outskirts of a small town can conflict with the needs of the community to preserve a vital business center downtown.

I have seen firsthand some of these location battles in Montana. Communities such as Helena, Billings and Glasgow, have seen agencies threaten to move out of the downtown area, removing a linchpin of economic development that supports other local businesses. In another case, this time in Butte, an agency looked to abandon an historic building downtown in favor of a new site closer to the Interstate.

The impact on these communities from such actions can be devastating. In Helena, for example, the relocation of the federal building would have removed over 400 Federal workers from the area and dealt a major blow to plans to revive the downtown core, known as Last Chance Gulch. And in Glasgow, a small town even by Montana standards, the relocation from the central business area to a new site on the outskirts of town threatened the survival of other businesses downtown and contributed to sprawl. Yes, even in the Big Sky state, sprawl is a threat to the vitality of our communities and the beauty of our environment.

Many of these conflicts between communities and Federal agencies stems from the confusing, and sometimes conflicting, jumble of laws, executive orders, and regulations. It almost seems as if there is a provision to justify almost anything an agency wants to do. One law tells agencies to locate in rural areas. An executive order tells agencies to give priority to central business areas. No wonder agencies are confused and community leaders are angry.

Mr. President, that's not right. We should have a clear, simple to understand policy when it comes to location of Federal facilities. Furthermore, that policy should make it easier for the Federal government to help community leaders who seek to maintain the vitality of their downtown areas. And that is what our bill does.

First, as a matter of policy, it states that locating federal facilities in central business areas is good for the economy and the livability of communities.

But more importantly, the bill implements that policy by requiring that the head of each Federal agency give first priority to central business areas when locating, or relocating, Federal facilities. This requirement could be waived if it would materially compromise the mission of the agency or if it would not be economically prudent. But those would be exceptions to the

general rule that downtown areas should be the preferred area for Federal offices. And the downtown areas will be determined by local officials, not Federal agencies.

This bill will be good for our communities. And it will be good for the Federal government.

In closing let me express my appreciation to my colleague from Vermont for all the work that he has put into this issue. His leadership has been instrumental in crafting this bill. I look forward to working with him to bring this bill through the Environment and Public Works Committee and before the Senate early next year.

By Mr. BIDEN:

S. 1897. A bill to amend the Public Health Service Act to establish an Office of Autoimmune Disease at the National Institutes of Health, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

THE NIH OFFICE OF AUTOIMMUNE DISEASES ACT OF 1999

• Mr. BIDEN. Mr. President, today I am introducing the NIH Office of Autoimmune Diseases Act of 1999. This legislation, which is very similar to a bill introduced in the House of Representatives by Congressman Waxman, would create an Office of Autoimmune Diseases as part of the Office of the Director of the National Institutes of Health. I would like to outline briefly why I feel that this office and this legislation are needed.

To understand autoimmune diseases, it is first necessary to talk about the body's immune system. The immune system is a collection of tissues which is designed to fend off any foreign invaders into our body. For example, we live in a world surrounded by microbes of various kinds, many of which would be harmful to us if they could set up shop in our bodies. However, the immune system recognizes that a foreign microbe has entered our body and it mobilizes a variety of defenses to expel this foreign invader.

The critical importance of the immune system can be easily seen when something goes wrong with it. For example, when a baby is born with a major defect in its immune system, it is extremely vulnerable to attacks by bacteria that a healthy baby would be able to fight off. Such immune-deficient babies need to be protected from their environment in order to preserve their lives. You may have seen the TV programs about such "bubble babies", who have to spend their entire lives in a protective plastic bubble or a spacesuit.

However, although the immune system is essential for human life, it sometimes can cause problems with our health. When someone gets a kidney transplant, for example, it is the immune system which tries to fight off this "foreign invader", a process called rejection. The survival of the transplant requires that the recipient be

given treatment in order to suppress the immune system.

Occasionally, the body's immune system goes haywire and starts to attack the body's own tissues as if they were foreign invaders. This process is called autoimmunity, and diseases in which autoimmunity is thought to play an important role are called autoimmune diseases. The spectrum of human illnesses for which there is evidence of an autoimmune component is extremely broad, ranging from lupus to diabetes to multiple sclerosis. At the National Institutes of Health, these different diseases are often studied in completely different institutes: diabetes in the National Institute of Diabetes and Digestive and Kidney Diseases; lupus in the National Institute of Allergy and Infectious Diseases; multiple sclerosis in the National Institute of Neurological Disorders and Stroke; and so forth.

Despite being studied in different locations, these diseases all have one thing in common: abnormalities of the immune system that lead to an autoimmune process in which the body actually attacks itself. It is vital that researchers on one autoimmune disease understand what research advances are being made on other autoimmune diseases; the key to understanding the autoimmune process in multiple sclerosis might very well be uncovered by a researcher working on autoimmunity in diabetes.

This is where the need for an NIH Office of Autoimmune Diseases arises. Its purpose is to make sure that there is cooperation and coordination across scientific disciplines for all those working on the broad spectrum of autoimmune diseases. Researchers working on autoimmunity in one narrowly defined disease must be able to benefit from research advances in autoimmune research. The history of medicine is replete with examples where breakthroughs in one area were actually a direct consequence of advances in a completely unrelated field.

This bill sets up an Office of Autoimmune Diseases at NIH, along with a broadly representative coordinating committee to assist it. The director of the Office of Autoimmune Diseases will be responsible for setting an agenda for research and education on autoimmune diseases, for promoting cooperation and coordination among the disparate entities that are working on autoimmune diseases, for serving as principal advisor to HHS on autoimmune diseases, for husbanding resources for autoimmune disease research, and for producing reports to keep other scientists and the public informed about progress in autoimmune disease research.

Mr. President, I'd like to explain why I have a particular interest in the area of autoimmune diseases. A very close friend of mine in Delaware, Ms. Tia McDowell, is fighting valiantly against a chronic disease. At present, the treatments for this disease no longer

seem to be working very well, so Tia's hope lies in new research advances. Although doctors are not sure what causes Tia's disease, they do think that autoimmunity plays an important part. For Tia, and for others with diseases where autoimmunity is important, I want to make sure that we are moving ahead with research in the most efficient manner possible, and I think that creation of an NIH Office of Autoimmune Diseases is one way to help this process along.

Mr. President, I urge my colleagues to support the NIH Office of Autoimmune Diseases Act of 1999 as something we in Congress can do to help our research scientists conquer this puzzling and pernicious group of diseases. I ask that the text of the bill be printed in the RECORD.

The bill follows:

S. 1897

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "NIH Office of Autoimmune Diseases Act of 1999".

SEC. 2. ESTABLISHMENT OF OFFICE OF AUTOIMMUNE DISEASES AT NATIONAL INSTITUTES OF HEALTH.

Title IV of the Public Health Service Act (42 U.S.C. 281 et seq.) is amended by inserting after section 404D the following section:

"AUTOIMMUNE DISEASES

"SEC. 404E. (a) ESTABLISHMENT.—There is established within the Office of the Director of NIH an office to be known as the Office of Autoimmune Diseases (in this section referred to as the 'Office'), which shall be headed by a Director appointed by the Director of NIH.

"(b) DUTIES.—

"(1) IN GENERAL.—The Director of the Office, in consultation with the coordinating committee established under subsection (c), shall carry out the following:

"(A) The Director shall recommend an agenda for conducting and supporting research on autoimmune diseases through the national research institutes. The agenda shall provide for a broad range of research and education activities relating to biomedical, psychosocial, and rehabilitative issues, including studies of the disproportionate impact of such diseases on women.

"(B) The Director shall with respect to autoimmune diseases promote coordination and cooperation among the national research institutes and entities whose research is supported by such institutes.

"(C) The Director shall promote the appropriate allocation of the resources of the National Institutes of Health for conducting and supporting research on autoimmune diseases.

"(D) The Director shall annually prepare a report that describes the research and education activities on autoimmune diseases being conducted or supported through the national research institutes, and that identifies particular projects or types of projects that should in the future be conducted or supported by the national research institutes or other entities in the field of research on autoimmune diseases.

"(2) PRINCIPAL ADVISOR REGARDING AUTOIMMUNE DISEASES.—With respect to autoimmune diseases, the Director of the Office shall serve as the principal advisor to the Secretary, the Assistant Secretary for Health, and the Director of NIH, and shall provide advice to the Director of the Centers

for Disease Control and Prevention, the Commissioner of Food and Drugs, and other relevant agencies.

"(c) COORDINATING COMMITTEE.—The Director of NIH shall ensure that there is in operation a committee to assist the Director of the Office in carrying out subsection (b), that the committee is designated as the Autoimmune Diseases Coordinating Committee, and that, to the extent possible, such Coordinating Committee includes liaison members from other Federal health agencies, including the Centers for Disease Control and Prevention and the Food and Drug Administration.

"(d) REPORT.—Not later than October 1, 2001, the Comptroller General shall prepare and submit to the appropriate committees of Congress a report concerning the effectiveness of the Office in promoting advancements in research, diagnosis, treatment, and prevention related to autoimmune diseases.

"(e) DEFINITION.—For purposes of this section, the term 'autoimmune diseases' includes diseases or disorders in which autoimmunity is thought to play a significant pathogenetic role, as determined by the Secretary..

"(f) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated \$950,000 for fiscal year 2000, and such sums as may be necessary for each of fiscal years 2001 and 2002.".

ADDITIONAL COSPONSORS

S. 188

At the request of Mr. WYDEN, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 188, a bill to amend the Federal Water Pollution Control Act to authorize the use of State revolving loan funds for construction of water conservation and quality improvements.

S. 505

At the request of Mr. GRASSLEY, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 505, a bill to give gifted and talented students the opportunity to develop their capabilities.

S. 783

At the request of Mrs. FEINSTEIN, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 783, a bill to limit access to body armor by violent felons and to facilitate the donation of Federal surplus body armor to State and local law enforcement agencies.

S. 964

At the request of Mr. DASCHLE, the name of the Senator from South Dakota [Mr. JOHNSON] was added as a cosponsor of S. 964, a bill to provide for equitable compensation for the Cheyenne River Sioux Tribe, and for other purposes.

S. 1215

At the request of Mr. DODD, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 1215, a bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to furnish headstones or markers for marked graves of, or to otherwise commemorate, certain individuals.

S. 1277

At the request of Mr. BAUCUS, the name of the Senator from Missouri

[Mr. ASHCROFT] was added as a cosponsor of S. 1277, a bill to amend title XIX of the Social Security Act to establish a new prospective payment system for Federally-qualified health centers and rural health clinics.

At the request of Mr. GRASSLEY, the name of the Senator from Georgia [Mr. COVERDELL] was added as a cosponsor of S. 1277, *supra*.

S. 1294

At the request of Mr. INOUE, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1294, a bill to direct the Administrator of the Federal Aviation Administration to issue regulations to limit the number of pieces of carry-on baggage that a passenger may bring on an airplane.

S. 1332

At the request of Mr. BAYH, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from New York [Mr. SCHUMER], the Senator from Washington [Mrs. MURRAY], the Senator from California [Mrs. BOXER], the Senator from North Dakota [Mr. CONRAD], the Senator from South Dakota [Mr. DASCHLE], the Senator from North Dakota [Mr. DORGAN], the Senator from Florida [Mr. GRAHAM], the Senator from South Dakota [Mr. JOHNSON], the Senator from Arkansas [Mrs. LINCOLN], the Senator from New Jersey [Mr. TORRICELLI], the Senator from Oregon [Mr. WYDEN], the Senator from Vermont [Mr. LEAHY], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of S. 1332, a bill to authorize the President to award a gold medal on behalf of Congress to Father Theodore M. Hesburg, in recognition of his outstanding and enduring contributions to civil rights, higher education, the Catholic Church, the Nation, and the global community.

S. 1333

At the request of Mr. WYDEN, the name of the Senator from South Dakota [Mr. JOHNSON] was added as a cosponsor of S. 1333, a bill to expand homeownership in the United States.

S. 1384

At the request of Mr. ABRAHAM, the name of the Senator from Hawaii [Mr. INOUE] was added as a cosponsor of S. 1384, a bill to amend the Public Health Service Act to provide for a national folic acid education program to prevent birth defects, and for other purposes.

S. 1464

At the request of Mr. HAGEL, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1464, a bill to amend the Federal Food, Drug, and Cosmetic Act to establish certain requirements regarding the Food Quality Protection Act of 1996, and for other purposes.

S. 1488

At the request of Mr. GORTON, the names of the Senator from North Dakota [Mr. DORGAN], the Senator from Wyoming [Mr. ENZI], and the Senator from Alabama [Mr. SESSIONS] were

added as cosponsors of S. 1488, a bill to amend the Public Health Service Act to provide for recommendations of the Secretary of Health and Human Services regarding the placement of automatic external defibrillators in Federal buildings in order to improve survival rates of individuals who experience cardiac arrest in such buildings, and to establish protections from civil liability arising from the emergency use of the devices.

S. 1494

At the request of Mr. BINGAMAN, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1494, a bill to ensure that small businesses throughout the United States participate fully in the unfolding electronic commerce revolution through the establishment of an electronic commerce extension program at the National Institutes of Standards and Technology.

S. 1516

At the request of Mr. ROBB, his name was added as a cosponsor of S. 1516, a bill to amend title III of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11331 et seq.) to reauthorize the Federal Emergency Management Food and Shelter Program, and for other purposes.

S. 1528

At the request of Mr. LOTT, the names of the Senator from Michigan [Mr. LEVIN] and the Senator from Arizona [Mr. KYL] were added as cosponsors of S. 1528, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify liability under that Act for certain recycling transactions.

S. 1539

At the request of Mr. DODD, the name of the Senator from Maine [Ms. COLLINS] was added as a cosponsor of S. 1539, a bill to provide for the acquisition, construction, and improvement of child care facilities or equipment, and for other purposes.

S. 1619

At the request of Mr. DEWINE, the names of the Senator from Alabama [Mr. SESSIONS] and the Senator from Idaho [Mr. CRAPO] were added as cosponsors of S. 1619, a bill to amend the Trade Act of 1974 to provide for periodic revision of retaliation lists or other remedial action implemented under section 306 of such Act.

S. 1693

At the request of Mr. GRAMS, the name of the Senator from Arizona [Mr. KYL] was added as a cosponsor of S. 1693, a bill to protect the Social Security surplus by requiring a sequester to eliminate any deficit.

S. 1771

At the request of Mr. ASHCROFT, the name of the Senator from Ohio [Mr. VOINOVICH] was added as a cosponsor of S. 1771, a bill to provide stability in the United States agriculture sector and to promote adequate availability of food and medicine for humanitarian assist-

ance abroad by requiring congressional approval before the imposition of any unilateral agricultural medical sanction against a foreign country or foreign entity.

S. 1798

At the request of Mr. LEAHY, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 1798, a bill to amend title 35, United States Code, to provide enhanced protection for investors and innovators, protect patent terms, reduce patent litigation, and for other purposes.

S. 1858

At the request of Mr. BREAUX, the name of the Senator from Hawaii [Mr. INOUE] was added as a cosponsor of S. 1858, a bill to revitalize the international competitiveness of the United States-flag maritime industry through tax relief.

SENATE RESOLUTION 128

At the request of Mr. COCHRAN, the names of the Senator from Vermont [Mr. JEFFORDS] and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of Senate Resolution 128, a resolution designating March 2000, as "Arts Education Month."

SENATE RESOLUTION 216

At the request of Mr. CAMPBELL, the names of the Senator from North Dakota [Mr. DORGAN], the Senator from Maryland [Ms. MIKULSKI], the Senator from Mississippi [Mr. LOTT], the Senator from Michigan [Mr. LEVIN], the Senator from Florida [Mr. GRAHAM], the Senator from New York [Mr. SCHUMER], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from California [Mrs. FEINSTEIN], the Senator from Connecticut [Mr. DODD], the Senator from Virginia [Mr. WARNER], the Senator from Nevada [Mr. BRYAN], the Senator from Michigan [Mr. ABRAHAM], the Senator from Montana [Mr. BAUCUS], the Senator from Louisiana [Ms. LANDRIEU], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Washington [Mr. GORTON], the Senator from Arkansas [Mrs. LINCOLN], the Senator from Maine [Ms. COLLINS], the Senator from Kansas [Mr. BROWNBACK], the Senator from Louisiana [Mr. BREAUX], the Senator from Wisconsin [Mr. FEINGOLD], and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of Senate Resolution 216, a resolution designating the Month of November 1999 as "National American Indian Heritage Month."

SENATE RESOLUTION 217

At the request of Mr. HUTCHINSON, the names of the Senator from Illinois [Mr. DURBIN] and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of Senate Resolution 217, a resolution relating to the freedom of belief, expression, and association in the People's Republic of China.

SENATE RESOLUTION 224

At the request of Mr. ROBB, his name was added as a cosponsor of Senate Resolution 224, a resolution expressing

the sense of the Senate to designate November 11, 1999, as a special day for recognizing the members of the Armed Forces and the civilian employees of the United States who participated in the recent conflict in Kosovo and the Balkans.

At the request of Mr. CONRAD, his name was added as a cosponsor of Senate Resolution 224, *supra*.

AMENDMENT NO. 2667

At the request of Mr. FEINGOLD, the names of the Senator from Rhode Island [Mr. REED], the Senator from Vermont [Mr. LEAHY], the Senator from Illinois [Mr. DURBIN], the Senator from New Jersey [Mr. TORRICELLI], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of amendment No. 2667 intended to be proposed to S. 625, a bill to amend title 11, United States Code, and for other purposes.

AMENDMENT NO. 2761

At the request of Mr. SCHUMER, the name of the Senator from Pennsylvania [Mr. SANTORUM] was added as a cosponsor of amendment No. 2761 proposed to S. 625, a bill to amend title 11, United States Code, and for other purposes.

SENATE RESOLUTION 226—EX-PRESSING THE SENSE OF THE SENATE REGARDING JAPANESE PARTICIPATION IN THE WORLD TRADE ORGANIZATION

Mr. BAUCUS (for himself and Mr. GRASSLEY) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 226

Whereas Japan is the world's second largest economy with exports and imports together equal to one-fifth of its gross domestic product;

Whereas Japan is the second largest trading partner of the United States and sends almost one-third of its exports to the United States;

Whereas prosperity and growth in Japan, one of the primary beneficiaries of the liberal international trading system, is dependent on the maintenance of open markets throughout the world;

Whereas prosperity in the Asian region and globally requires open markets in Japan;

Whereas Japan has a profound interest in ensuring that the World Trade Organization continues to thrive and develop, and that world markets are open on the basis of a rules-based system that is widely supported by governments, businesses, nongovernmental organizations, and average citizens throughout the world;

Whereas Japan's dependence on open markets requires Japan to take a leadership role, rather than a defensive posture, in the next round of multilateral trade negotiations;

Whereas support for free trade in the United States and in many other countries has become increasingly fragile;

Whereas the world's major trading nations, including Japan, have a special responsibility to take the measures necessary to strengthen a consensus for free trade;

Whereas Japan's importation of manufactured goods, as a share of its gross domestic product, is considerably lower than that of

other industrialized nations and is one of the lowest of all nations reporting data to the World Bank;

Whereas Japan has one of the lowest levels of intra-industry trade in the industrialized world according to the Organization for Economic Cooperation and Development;

Whereas even in the case of rice where some progress was made at the Uruguay Round, the Government of Japan agreed to a tariff-rate quota, yet set the over quota tariff rate at a level that is currently equivalent to approximately a 500 percent *ad valorem* duty, thus drastically reducing the possible market impact of the concession;

Whereas Japan is protecting its trade-distorting policies in the areas of agriculture, forestry, and fishing and is trying to shift the focus of the next round of multilateral trade negotiations away from concessions and liberalization of its trade-distorting policies in these areas;

Whereas there is a concern that in the previous rounds of multilateral trade negotiations, the Government of Japan has been able to minimize the commitments it made;

Whereas there is a concern that the Government of Japan may be able to minimize the actual implementation of commitments through formal government measures and informal government guidance to counter the effects of those commitments on liberalization;

Whereas reducing Japanese tariffs and eliminating traditional nontariff barriers appears to have less of an effect than expected on improving market access in Japan in many sectors because of the complex and opaque network of systemic barriers that continue to exist in much of Japan's economic system;

Whereas despite the fact that Japan is a full participant in the WTO Agreement on Government Procurement and appears to be making concessions equal in value to the concessions made by other parties, Japan has not opened the government procurement market to the degree expected by the United States and other trading partners;

Whereas because of the impediments in the Japanese government procurement market that were not addressed by the GATT and the WTO, the United States has had to negotiate bilateral government procurement agreements covering computers, telecommunications equipment, medical products, satellites, and supercomputers;

Whereas the Government of Japan has called for reopening the WTO Agreement on the Implementation of Article VI of the GATT 1994 (the Antidumping Agreement), and supports similar efforts by other nations, which would result in reducing the effectiveness of United States trade law and the ability of the United States to take action against the injurious and unfair trade practice of dumping;

Whereas the advanced tariff liberalization process would be further along but for the opposition of Japan at the Asia-Pacific Economic Cooperation forum; and

Whereas a focus on Japanese practices and commitments at the next round of multilateral trade negotiations is more important than ever because the trade laws of the United States, such as section 301 of the Trade Act of 1974, section 1377 of the Omnibus Trade and Competitiveness Act of 1988, and title VII of the Omnibus Trade and Competitiveness Act of 1988, have been significantly weakened as a result of agreements concluded during the Uruguay Round: Now, therefore, be it

Resolved, That it is the sense of the Senate that the appropriate officials in the executive branch—

(1) should include, in the United States negotiating objectives for the next round of

multilateral negotiations, specific expectations as to how the negotiations will result in changes in the Japanese market;

(2) should pay special attention to commitments required of the Government of Japan in the next round of negotiations and ensure that commercially meaningful Japanese concessions equivalent to concessions made by other major trading nations will lead to market change in Japan;

(3) should cooperate closely with other major trading nations to ensure that the next round of negotiations results in genuine change in Japan's markets.

(4) should consult closely with Congress throughout the next round of negotiations about the specific impact of the negotiations on Japan's markets, and should provide periodic reports, with full input from the private sector, about progress being made in addressing Japanese barriers within the negotiations;

(5) should devote the resources needed to analyze market barriers in Japan and to analyze how these market barriers can be addressed in the next round of negotiations; and

(6) should work closely with United States manufacturers, service providers, and nongovernmental organizations to develop the priority areas for focusing United States efforts with respect to Japan in the next round of negotiations and to determine the progress being made in meeting those priorities.

SENATE RESOLUTION 227—EX-PRESSING THE SENSE OF THE SENATE IN APPRECIATION OF THE NATIONAL COMMITTEE FOR EMPLOYER SUPPORT OF THE GUARD AND RESERVE

Mr. BOND (for himself, Mr. BRYAN, Mr. BINGAMAN, Mr. JOHNSON, Mr. KENNEDY, and Mr. ROCKEFELLER) submitted the following resolution; which was referred to the Committee on Armed Services:

S. RES. 227

Whereas the National Committee for Employer Support of the Guard and Reserve (NCESGR) was established by Presidential proclamation issued in 1972;

Whereas national defense planners at that time, anticipating the end of the draft under the Military Selective Service Act, foresaw the potential that the Nation's reserve component forces would be used increasingly to meet national security requirements, that the operations of members' civilian employers would be disrupted by that development, that employers accustomed to National Guard and Reserve service being an alternative to compulsory active duty service would question the necessity for volunteer participation in the Nation's community-based defense forces, and that the employers' support for Guard and Reserve service would erode;

Whereas, to counteract those potential problems, the National Committee for Employer Support of the Guard and Reserve was chartered to develop public understanding of the National Guard and Reserve forces and to enlist the support of employers of members of the reserve components in the development of personnel policies and practices that encourage employee participation in National Guard and Reserve programs;

Whereas, for over 25 years, the National Committee for Employer Support of the Guard and Reserve has informed employers of the ever-increasing importance of the National Guard and Reserve, explaining to employers the necessity for, and the role of, these forces in national defense;

Whereas there are over 4,200 Employer Support of the Guard and Reserve (ESGR) volunteers from among the business, civic, and community leaders in committees in all 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam;

Whereas the ESGR volunteers carry out a variety of programs and services to inform communities and employers about the vital role of the National Guard and Reserve;

Whereas ESGR volunteers honor with suitable recognition the many employers who actively support employee participation in the National Guard and Reserve;

Whereas ESGR volunteers educate employers of members in the National Guard and Reserve and those employees about the rights and obligations regarding military leave that were established or reaffirmed by the Uniformed Services Employment and Re-employment Rights Act of 1974;

Whereas, to underscore the important role of the National Guard and Reserve in our national defense, the National Committee for Employer Support of the Guard and Reserve developed the Statement of Support program under which employers of members of the reserve components are invited to declare their support for their employees' participation in the National Guard and Reserve;

Whereas the first statement of support under the program was signed by the Chairman of the Board and Chief Executive Officer of General Motors in the Office of the Secretary of Defense on December 13, 1972;

Whereas the next day, President Richard Nixon signed a statement of support covering all Federal civilian employees and, since then, Presidents Ford, Carter, Reagan, Bush, and Clinton have all made the same commitment;

Whereas thousands of other employers nationwide have likewise signed statements of support for service of their employees in the reserve components;

Whereas nearly 50 percent of America's total military might is composed of National Guard and Reserve component members;

Whereas despite the ending of the Cold War in 1989, the military commitments of the United States have not diminished;

Whereas the Nation's reserve components are being called upon more than ever before to contribute to the protection of our national security interests and are critical contributors to that mission;

Whereas, during the Persian Gulf War in 1990 and 1991, more than 260,000 Reserves were called to active duty to support military operations in the Persian Gulf region;

Whereas National Guard and Reserve members contribute over 13,000,000 duty days yearly in support of military operations and exercises worldwide, which is a rate of duty that is 13 times greater than the rate of duty experienced during the Cold War; and

Whereas employers, public officials, military leaders, and military members rely on the National Committee for Employer Support of the Guard and Reserve to promote public and private understanding of the National Guard and Reserve in order to obtain the employer and community support that is necessary to ensure the availability and readiness of reserve component forces: Now, therefore, be it

Resolved, That—

(1) it is the sense of the Senate that the National Committee for Employer Support of the Guard and Reserve makes vital contributions to enabling the National Guard and Reserve to support the national security strategy while, at the same time, acting on behalf of the Nation's employers to ensure that their interests are represented with equity and fairness; and

(2) the Senate congratulates the National Committee for Employer Support of the

Guard and Reserve, its staff, and volunteers for their commitment to our national defense, for their contribution of time and talent, and for maintaining the much needed support of employers and communities for the National Guard and Reserve.

SENATE RESOLUTION 228—MAKING CHANGES TO SENATE COMMITTEES FOR THE 106TH CONGRESS

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 228

Resolved, That notwithstanding the provisions of S. Res. 400 of the 95th Congress, or the provisions of rule XXV, the following changes shall be effective on those Senate committees listed below for the 106th Congress, or until their successors are appointed:

Committee on Intelligence: Add Mr. Mack.

SENATE RESOLUTION 229—MAKING CERTAIN MAJORITY APPOINTMENTS TO CERTAIN SENATE COMMITTEES FOR THE 106TH CONGRESS

Mr. LOTT submitted the following resolution; which was considered and agreed to:

S. RES. 229

Resolved, That notwithstanding the provisions of rule XXV, the following shall constitute the majority membership of those Senate committees listed below for the 106th Congress, or until their successors are appointed:

Committee on Finance: Mr. Roth (Chairman), Mr. Grassley, Mr. Hatch, Mr. Murkowski, Mr. Nickles, Mr. Gramm, Mr. Lott, Mr. Jeffords, Mr. Mack, Mr. Thompson, and Mr. Coverdell.

Committee on Foreign Relations: Mr. Helms (Chairman), Mr. Lugar, Mr. Hagel, Mr. Smith of Oregon, Mr. Grams, Mr. Brownback, Mr. Thomas, Mr. Ashcroft, Mr. Frist, and Mr. Chafee.

Committee on Environment and Public Works: Mr. Smith of New Hampshire (Chairman), Mr. Warner, Mr. Inhofe, Mr. Thomas, Mr. Bond, Mr. Voinovich, Mr. Crapo, Mr. Bennett, Mrs. Hutchison, and Mr. Chafee.

Committee on Ethics: Mr. Roberts (Chairman), Mr. Smith of New Hampshire, and Mr. Voinovich.

SENATE RESOLUTION 230—EXPRESSING THE SENSE OF THE SENATE WITH RESPECT TO GOVERNMENT DISCRIMINATION IN GERMANY BASED ON RELIGION OR BELIEF

Mr. ENZI (for himself and Ms. LANDRIEU) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 230

Whereas government discrimination in Germany against individuals and groups based on religion or belief violates Germany's obligations under the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Helsinki Accords, which provide that member states must "recognize and respect the freedom of the individual to profess and practice alone or in community with others,

religion or belief acting in accordance with the dictates of his own conscience";

Whereas the 1993 through 1998 State Department Country Reports on Human Rights Practices in Germany have disclosed acts of Federal, State, and local government discrimination in Germany against members of minority religious groups, including Charismatic Christians, Muslims, Jehovah's Witnesses, and Scientologists;

Whereas State Department Human Rights Reports on Germany have also disclosed acts of government discrimination against United States citizens because of their religious beliefs;

Whereas State Department Human Rights Reports on Germany have disclosed discrimination based on religion or belief in Germany in such forms as exclusion from government employment and political parties; the use of "sect-filters" (required declarations that a person or company is not affiliated with a particular religious group) by government, businesses, sports clubs, and other organizations; government-approved boycotts and discrimination against businesses; and the prevention of artists from performing or displaying their works;

Whereas United Nations reports have disclosed discrimination based on religion or belief in Germany, and a 1997 report by the United Nations Special Rapporteur for Religious Intolerance concluded that the Government of Germany "must implement a strategy to prevent intolerance in the field of religion and belief";

Whereas the 1998 report of the State Department's Advisory Committee on Religious Freedom Abroad warned that unless the work of the German Government's Parliamentary Inquiry Commission on "so-called sects and psycho-groups", which investigated dozens of religious groups, including Mormons and other minority Christian groups, "focuses [its] work on investigating illegal acts, [it] runs the risk of denying individuals the right to freedom of religion or belief", and the Committee specifically reported that "members of the Church of Scientology and of a Christian charismatic church have been subject to intense scrutiny by the Commission, and several members have suffered harassment, discrimination, and threats of violence"; and

Whereas in 1997, a United States immigration judge granted a German woman asylum in the United States, finding that she had a well-founded fear of persecution based on her religious beliefs if she returned to Germany: Now, therefore, be it

Resolved, That the Senate—

(1) urges the Government of Germany to uphold its commitments to "take effective measures to prevent and eliminate discrimination against individuals or communities on the grounds of religion or belief" and "foster a climate of mutual tolerance and respect between believers of different communities", as required by the Organization on Security and Cooperation in Europe's Vienna Concluding Document of 1989;

(2) urges the Government of Germany to enter into a constructive dialogue with minority groups subject to government discrimination based on religion or belief;

(3) continues to hold the Government of Germany responsible for protecting the right of freedom of religion or belief of United States citizens who are living, performing, doing business, or traveling in Germany; and

(4) calls upon the President to assert the concern of the United States Government to the Government of Germany regarding government discrimination in Germany based on religion or belief.

• Mr. ENZI. Mr. President, I rise to submit a resolution concerning religious discrimination in Germany with

my colleague, the distinguished Senator from Louisiana, Ms. LANDRIEU. The resolution urges the German government to eliminate religious discrimination within its country because I believe, as a matter of general government policy, no religion or belief should be discriminated against. Anytime the government collects or allows businesses to collect and use information that marks an individual as being different, it is discriminatory and it is wrong. This is a human rights issue. An individual or a group should be allowed to worship in private without public repercussions.

A letter sent to me from the Department of State in August, states "Wherever it may occur, discrimination against an individual or group is a fundamental human rights violation, and the United States government is still very concerned about incidents of discrimination in Germany." The Department of State Human Rights Reports on Germany have disclosed discrimination based on religion or belief in Germany in such forms as: exclusion from government employment and political parties; the use of "sect-filters" (required declarations that a person or company is not affiliated with a particular religious group) by government, businesses, sport clubs, and other organizations; government-approved boycotts and discrimination against businesses; and, the prevention of artists from performing or displaying their works.

I also am aware of the possibilities of United States companies based in Germany being coerced by the German government to discriminate against American and other employees based on their beliefs. We have a number of German companies conducting business in the United States. I do not want to see these discriminatory practices imported to our country. This issue of government discrimination is not solely contained within the borders of Germany.

The resolution is simple and straightforward. It urges the German government to enter into a constructive dialogue with minority groups subject to government discrimination based on religion or belief. The resolution also calls upon the president to assert the United States' concern to Germany regarding government discrimination based on religion or belief.

If the goal of a world functioning under a flag of democratic freedom is to be realized, the leaders of the free world must set the example. Germany is a leader in the European and world communities. Germany also is a strong United States ally. It is my hope that the German government will allow its country men and women to be leaders of a free society where an individual's beliefs are the sole decision of the individual rather than a matter of state.

Mr. President, I would like to submit for the RECORD a letter I sent to the Department of State on July 16, 1999 as well as the Department of State's response to my letter.

The material follows:

UNITED STATES SENATE,
Washington, DC, July 16, 1999.

Hon. MARC GROSSMAN,
Assistant Secretary of State for European Affairs, State Department, Washington, DC.

DEAR MR. GROSSMAN: Over the past six years there has been a steady increase in the number of religious freedom violations in Germany. These violations have been noted in the State Department Human Rights Country Reports on Germany and the 1998 report of the State Department Advisory Committee on Religious Freedom. They have also been a matter of concern to various human rights groups. All of these reports have described both government and private sector discrimination against individuals and groups, including American citizens, because of their religious beliefs.

Last November, several of my colleagues in the Senate and I wrote to Chancellor Schroeder to express our concerns about this discrimination and the need for dialogue between the German Government and representatives of various religious groups. When we finally received a reply to our inquiry from the German Foreign Office in March, it was accompanied with a copy of the "Religious Freedom" section of the 1998 State Department Human Rights Report on Germany with a note stating that the 1998 Report revised "certain views found in former reports." We were quite disappointed that the Foreign Office reply largely ignored our concerns. While I do not share the German view that the 1998 Human Rights Report signaled that the State Department is no longer concerned with religious discrimination in Germany, I find the German Government's perception of the Report troubling.

One religious group in Germany that has been the subject of the State Department reports is the Christian Community in Cologne (CCK), an 1,100 member Church headed by an American, Pastor Terry Jones. The 1998 Report stated that virtually no incidents of harassment, discrimination, or death threats have been directed at CCK members since 1992. However, I have seen statements from Pastor Jones, along with other reports and news stories that indicate that the CCK has been the subject of discrimination since 1992. Tax difficulties aside, the CCK has been subject to harassment by government "sect" commissions, threats of violence, and members being denied jobs and child custody because of their Church affiliation. The sources of these reports include the 1998 Interim Report of the State Department Advisory Committee on Religious Freedom Abroad; an April 1998 CNN Worldview story; the testimony of a CCK representative at a September 1997 hearing before the Commission on Security and Cooperation in Europe (CSCE); and a May 1997 Report from the British House of Lords. Also, in testimony before the CSCE in July 1998, a representative from the Center for the Study of New Religious Movements criticized Germany for police raids that have occurred against small, independent Pentacostal churches. The Universal Life Church has also suffered discrimination in Germany. Press reports indicate that members of this Christian Church lost their jobs, not because of any wrongdoing, but because of their commitment to their faith.

Another minority group that has been subject to significant discrimination in Germany is the Church of Scientology and its members. The documentation of discrimination against both Americans and Germans based solely on their Church membership seems irrefutable. I especially find the growing governmental use and sponsorship of "sect-filters" disturbing. Nonetheless, in spite of all this evidence and documentation,

the German Government seems to believe the State Department has revised its views as to the existence of religious discrimination in their country. I have also seen media reports that characterized the 1998 Report as effectively ending earlier State Department criticism of Germany for its treatment of Scientologists.

I cannot believe these characterizations of the Human Rights Report are an accurate representation of the position of the State Department on these matters. Clearly, the matter of religious discrimination and persecution in Germany needs to be reviewed and the position of the State Department clarified. That review should include a thorough evaluation of the problem, the extent to which the German government is responsible for these actions, and a determination of the appropriate response for these actions, and a determination of the appropriate response of the United States Government to this serious situation.

As I mentioned earlier, the letter sent to Chancellor Schroeder by my Senate colleagues and I expressed the belief that an open and direct dialogue between the German Government and minority religious groups was sorely needed. In particular, I am aware that the State Department had undertaken efforts to establish such a dialogue between the German Government and the Church of Scientology. I applaud this effort. Unfortunately, I understand that the German Government has refused to enter into any such dialogue. Is the State Department considering any steps it can take to encourage such a discussion?

Given Germany's strong commitment to democracy, I am troubled by the continuing reports and the evidence of government sponsored discrimination in Germany against minority religious groups. For Germany to abide by its international treaty commitments it must respect the beliefs of all religious groups. At whatever level it occurs, it remains the responsibility of the German Federal Government to ensure that the entire country complies with its international human rights treaty obligations. This should especially be true when American citizens are involved.

While I commend the efforts of the State Department to address discrimination in Germany based on religion or belief, it is very important for your Human Rights Country Report on Germany to be clarified so that the position of the State Department on this issue is unmistakably clear. I hope to work with you to resolve these important issues and look forward to your reply to my letter at your earliest opportunity.

Sincerely,

MICHAEL B. ENZI,
U.S. Senator.

—
U.S. DEPARTMENT OF STATE,
Washington, DC, August 25, 1999.

Hon. MICHAEL B. ENZI,
U.S. Senate.

DEAR SENATOR ENZI: Thank you for your July 16 letter regarding religious freedom violations in Germany and the State Department's 1998 Human Rights Report. I am responding on behalf of Assistant Secretary Grossman. Your letter raises several important issues concerning ongoing efforts at the State Department to work with German officials and affected minority groups to end discrimination in Germany based on religion or belief. Wherever it may occur, discrimination against an individual or group is a fundamental human rights violation, and the United States Government is still very concerned about incidents of discrimination in Germany. As the past six years of Human Rights Reports indicate, religious discrimination in Germany continues to take place

and the Department of State is committed to addressing issues of religious intolerance.

We, too, were puzzled with characterizations of the 1998 Human Rights Report as ending criticism of Germany. While we would rather devote our time to working with the German government on ways to end discrimination in Germany based on religion or belief, it is also very important to express criticism and concern with ongoing German discriminatory actions and policies. This critical review is one of the primary purposes of the annual Human Rights Report. To interpret the 1998 Report's greater inclusion of German government statements attacking minority groups and rationalizing discriminatory acts and policies as State Department agreement with such statements is wrong.

Perception of the report aside, we are particularly concerned with growing use of sect filters in Germany which prevent a person from practicing his or her profession or participating in public and private fora, solely based on that person's religion or belief. This clearly discriminatory practice is being used by the Federal Ministry of Economics, state governments, private businesses and other organizations in Germany. We have discussed with German state and federal authorities the violation of individual rights posed by sect-filters and will continue our efforts to end the use of such filters.

On the subject of discrimination against the Evangelical churches in Germany, specifically the Christian Community in Cologne (CGK), U.S. Embassy personnel have met with two associate pastors of the CGK. We have been unable to meet with Pastor Jones, the leader of the church who testified before the Commission on Security and Cooperation in Europe in 1997 about discrimination. The two pastors interviewed did describe incidents of religious discrimination in child custody and employment situations. However, until we are able to verify these allegations of discrimination, the State Department is reluctant to include such examples in an official report.

Over the past year, State Department officials in Washington and Germany have undertaken a determined effort to bring together representatives of the Church of Scientology with representatives of the German Federal Government to open a dialogue on issues of concern. To our dismay, the German Government has refused to meet with Scientology representatives. Regardless of what the German Government thinks about the nature and philosophy of Scientology, refusal to enter into a constructive dialogue is troubling. We will continue to press the German Government to take this step.

As your letter correctly states, Germany is obligated by various international human rights treaties to respect the freedom of an individual to worship alone or in community with other religious or beliefs acting in accordance with the dictates of his own conscience. And no matter at what level discrimination occurs, it is the responsibility of the German Federal Government to ensure that the entire country complies with its international human rights treaty obligations. We look forward to working with you and other Members of Congress to that end in Germany.

I hope our response has addressed your concerns. Please do not hesitate to contact us if you have further questions about this or any other matter.

Sincerely,

BARBARA LARKIN,
Assistant Secretary, Legislative Affairs. ●

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, November 9, 1999, at 2:00 p.m. to consider certain pending military nominations.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, November 9, 1999, to conduct a mark-up on pending nominations.

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

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Governmental Affairs Committee be authorized to meet on Tuesday, November 9, 1999, at 10:00 a.m., for a hearing entitled "Private Banking and Money Laundering: A Case Study of Opportunities and Vulnerabilities."

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

PRESIDENTIAL MESSAGES

The following messages were received in the Senate on November 8, 1999:

CONTINUATION OF THE NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT—PM 71

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iran emergency declared in 1979 is to continue in effect beyond November 14, 1999, to the *Federal Register* for publication. Similar notices have been sent annually to the Congress and published in the *Federal Register* since November 12, 1980. The most recent notice appeared in the *Federal Register* on November 12, 1998. This emergency is separate from that declared with respect to Iran on March 15, 1995, in Executive Order 12957.

The crisis between the United States and Iran that began in 1979 has not been fully resolved. The international tribunal established to adjudicate claims of the United States and U.S. nationals against Iran and of the Iranian government and Iranian nationals against the United States continues to function, and normalization of commercial and diplomatic relations between the United States and Iran has not been achieved. On March 15, 1995, I declared a separate national emergency with respect to Iran pursuant to the International Emergency Economic Powers Act and imposed separate sanctions. By Executive Order 12959 of May 6, 1995, these sanctions were significantly augmented, and by Executive Order 13059 of August 19, 1997, the sanctions imposed in 1995 were further clarified. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that are in place by virtue of the November 14, 1979, declaration of emergency, including the authority to block certain property of the Government of Iran, and which are needed in the process of implementing the January 1981 agreements with Iran.

WILLIAM J. CLINTON.

THE WHITE HOUSE, November 5, 1999.

PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO SUDAN—MESSAGE FROM THE PRESIDENT—PM 72

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c) and section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to Sudan that was declared in Executive Order 13067 of November 3, 1997.

WILLIAM J. CLINTON.

THE WHITE HOUSE, November 5, 1999.

OMISSION FROM THE RECORD

The following measure did not appear in the RECORD on November 8, 1999. The permanent RECORD will be corrected to reflect the following:

SENATE CONCURRENT RESOLUTION 71—EXPRESSING THE SENSE OF CONGRESS THAT MIAMI, FLORIDA, AND NOT A COMPETING FOREIGN CITY, SHOULD SERVE AS THE PERMANENT LOCATION FOR THE SECRETARY OF THE FREE TRADE AREA OF THE AMERICAS (FTAA) BEGINNING IN 2005

Mr. GRAHAM (for himself and Mr. MACK) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 71

Whereas deliberations on establishing a "Free Trade Area of the Americas" (FTAA) will help facilitate greater cooperation and understanding on trade barrier throughout the Americas;

Whereas the trade minister of 34 countries of the Western Hemisphere agreed in 1998 to create a permanent Secretariat in order to support negotiation on establishing the FTAA;

Whereas the FTAA Secretariat will employ persons to provide logistical, administrative, archival, translation, publication, and distribution support for the negotiations;

Whereas the FTAA Secretariat will be funded by a combination of local resources and institutional resources from a tripartite committee consisting of the Inter-American Development Bank (IDB), the Organization of American States (OAS), and the United Nations Economic Commission on Latin America and the Caribbean (ECLAC);

Whereas the temporary site of the FTAA Secretariat will be located in Miami, Florida, from 1999 until February 28, 2001, at which point the Secretariat will rotate to Panama City, Panama, until February 28, 2003, and then rotate to Mexico City, Mexico, until February 28, 2005;

Whereas by 2005 the FTAA Secretariat will have international institution status providing jobs and tremendous economic benefits to its host city;

Whereas a permanent site for the FTAA Secretariat after 2005 will likely be selected from among the 3 temporary host cities;

Whereas the city of Miami, Miami-Dade County, and the State of Florida have long served as the gateway for trade with the Caribbean and Latin America;

Whereas trade between the city of Miami, Florida, and the countries of Latin America and the Caribbean totaled \$36,793,000,000 in 1998;

Whereas the Miami-Dade area and the State of Florida possess the necessary infrastructure, local resources, and culture necessary for the FTAA Secretariat's permanent site;

Whereas the United States possesses the world's largest economy and is the leading proponent of trade liberalization throughout the world; and

Whereas the city of Miami, Florida, the State of Florida, and the United States are uniquely situated among other competing locations to host the "Brussels of the Western Hemisphere": Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring). That it is the sense of the Congress that the President should direct the United States representative to the "Free Trade Area of the Americas" (FTAA) negotiations to use all available means in order to secure Miami, Florida, as the permanent site of the FTAA Secretariat after February 28, 2005.

ADDITIONAL STATEMENTS

THE LATE JAMES E. WILLIAMS, WINNER OF THE MEDAL OF HONOR

Mr. THURMOND. Mr. President, "Hero" is a word that is inappropriately used with some frequency in this day and age. This is certainly unfortunate, for a true "hero" is not the person who caught the game winning pass, but is an individual who has distinguished himself through courage. No matter how diluted this term have become through informal and casual use, it remains simply the best way to describe James E. Williams.

There was a time not long ago when all Americans understood the importance of military service and the notion of sacrificing of one's self for the better of the nation. James Williams was one such man, an individual who was so anxious to render military service, he lied about his age in order to join the United States Navy in 1946. Over the course of his career, Mr. Williams would repeatedly demonstrate his fierce determination and bravery.

Our involvement in the conflict in Vietnam was still relatively small in 1966, but such was not the case for those who were working to topple the democratic government of the Republic of Vietnam. Communist forces were operating extensively throughout South Vietnam, terrorizing peasants, and fighting a low intensity conflict against our forces and our allies. That the infiltration of the enemy into the Republic of Vietnam was largescale was proven on that day late in October of 1966 when Mr. Williams and eight other sailors operating on two different plastic river boats engaged in a three-hour firefight with enemy personnel. As a result of that action, more than 1,000 communist military personnel were killed in action, and almost seventy North Vietnamese boats were sunk or destroyed. The courage demonstrated by Mr. Williams in the face of overwhelming odds, and the effective attack he mounted, led to his being awarded the Medal of Honor for his actions. Only the citation from the Medal of Honor awarded Mr. Williams adequately describes his heroism, and it reads:

For conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty as a member of River Section 531 during combat operations on the Mekong River in the Republic of Vietnam. On 31 October 1966, Petty Officer Williams was serving as Boat Captain and Patrol Officer aboard River Patrol Boat (PBR) 105 accompanied by another patrol boat when the patrol was suddenly taken under fire by two enemy sampans. Petty Officer Williams immediately ordered the fire returned, killing the crew of one enemy boat and causing the other sampan to take refuge in a nearby river inlet. Pursuing the fleeing sampan, the U.S. patrol encountered a heavy volume of small arms fire from enemy forces, at close range, occupying well-concealed positions along the river bank. Maneuvering through this fire, the patrol confronted a numerically

superior enemy force aboard two enemy junks and eight sampans augmented by heavy automatic weapons fire from ashore. In the savage battle that ensued, Petty Officer Williams, with utter disregard for his own safety, exposed himself to the withering hail of enemy fire to direct counterfire and inspire the actions of his patrol. Recognizing the overwhelming strength of the enemy force, Petty Officer Williams deployed his patrol to await the arrival of armed helicopters. In the course of this movement he discovered an even larger concentration of enemy boats. Not waiting for the arrival of the armed helicopters, he displayed great initiative and boldly led the patrol through the intense enemy fire and damaged or destroyed fifty enemy sampans and seven junks. This phase of the action completed, and with the arrival of the armed helicopters, Petty Officer Williams directed the attack on the remaining enemy force. Now virtually dark, and although Petty Officer Williams was aware that his boats would become even better targets, he ordered the patrol boats' search lights turned on to better illuminate the area and moved the patrol perilously close to shore to press the attack. Despite a waning supply of ammunition the patrol successfully engaged the enemy ashore and completed the rout of the enemy force. Under the leadership of Petty Officer Williams, who demonstrated unusual professional skill and indomitable courage throughout the three hour battle, the patrol accounted for the destruction or loss of sixty-five enemy boats and inflicted numerous casualties on the enemy personnel. His extraordinary heroism and exemplary fighting spirit in the face of grave risks inspired the efforts of his men to defeat a larger enemy force, and are in keeping with the finest traditions of the United States Naval Service.

By the time Mr. Williams retired in 1967, and having fought in two wars, he was the most decorated enlisted man in the history of the United States Navy. Anyone who looked at the medals adorning his dress uniform would immediately recognize James Williams as a hero by noting his three Purple Hearts; three Bronze Stars; the Vietnamese Cross of Gallantry; the Navy and Marine Corps Medal; two Silver Stars; the Navy Cross; and of course, the Medal of Honor.

Despite having served his nation commendably and heroically, James Williams still wanted to contribute to society and hoped to follow in the footsteps of his father as a lawman. In 1969, Mr. Williams was nominated as the United States Marshal for the District of South Carolina by President Richard M. Nixon, and he again distinguished himself as a no-nonsense law and order man, vital for a day and age when some people reveled in challenging the system and in seeking confrontation with authorities. I doubt that too many people were foolish to cross swords with James E. Williams, and his work as a law enforcement official helped keep South Carolina safe and peaceful.

In the years following his retirement from Federal service, Mr. Williams continued to contribute to the nation, but as a private citizen. He was very active in the "Medal of Honor Society", a private organization dedicated to promoting knowledge and education about America's highest award. He was

also a member of the board of directors of the Patriot's Point Development Authority, which has created a military park in the Charleston area, and is also home to the above mentioned Medal of Honor Society.

Despite his heroism and his many high recognitions, James Williams was a down to earth individual. He refused offers to tell his story in print and on film, and he remained a plain talking, straight forward, good humored man to the day of his death. While Mr. Williams may no longer be among us, he has earned a legendary spot in Navy lore and the history of the United States, and he will always be remembered as the brave and selfless patriot he was.●

ON THE DEATH OF SACRAMENTO, CALIFORNIA MAYOR JOE SERNA

● Mrs. FEINSTEIN. Mr. President, I rise to speak today about the untimely death of Sacramento Mayor Joe Serna. This past Sunday, November 7, 1999, the City of Sacramento and the State of California lost an inspirational public servant and a great statesman. The death of Mayor Serna represents a loss for all of those who had the honor to know him, and for the entire City of Sacramento.

Mayor Serna had a distinguished public career, culminating in the election as Mayor of our State's Capital City in 1992. He served his country and his community as an educator, Peace Corps worker and public servant. He was a man of compassionate spirit, dedicated ideals and principled acts.

Mayor Serna's accomplishments, both personally and professionally, are many. Here are a few highlights:

1966—Earned his Bachelor's degree in Social Science and Government at California State University, Sacramento.

1966—Earned his Master's degree in Political Science at University of California, Davis.

1966—Served in the Peace Corps in Guatemala.

1969—Joined the faculty at California State University, Sacramento.

1975—Served as Education Advisor to then-Lieutenant Governor Mervyn Dymally.

1981—Elected to the Sacramento City Council, where he would serve 11 years.

1991—Received the Distinguished Faculty Award.

1992—Elected as Mayor of Sacramento.

1995—Received the Economic Development Leadership Award by the National Council for Urban Economic Development.

1996—Reelected as Mayor of Sacramento.

1998—Led the effort for the redevelopment of downtown Sacramento.

1998—Received an honorary doctorate degree from Golden Gate University.

I have known Mayor Serna for many years, and he was a visionary for Sacramento and the region.

Mayor Serna led California's Capital City toward a more positive and prosperous direction. He was extremely dedicated to the economic revitalization and redevelopment of Sacramento. Under his leadership, the Sacramento City Council helped to revitalize the downtown community, the region's heart and center. He appointed the first Council of Economic Advisors to help frame the City's economic agenda. In addition, Mayor Serna assembled a negotiating team that preserved the Sacramento Kings, the region's National Basketball Association Team, when the King's owners threatened to move the team out of town.

Mayor Serna was not only an honorable mayor, he was also a role model to the Latino community and an inspiration to all Californians. He was the first Latino elected as mayor of one of California's major cities, exemplifying the success that one can attain through education, hard work, and commitment—regardless of ethnicity. I believe Mayor Serna transcended ethnic politics without every losing sight of his ethnic background and his humble beginnings.

Mayor Serna grew up working in the fields of San Joaquin County. In the early 1960's he was an activist with the United Farm Workers, fighting for farm workers and for disadvantaged people. He went on to earn his bachelor's degree in Social Science and his master's degree in Political Science. He later entered the Peace Corps to serve the people in Guatemala as a community-development volunteer. Mayor Serna went on to become a professor at California State University in Sacramento and then served his community as Mayor of the City of Sacramento.

Along the way, he helped to inspire a host of talented Latino elected officials at all levels of government. Community leaders such San Joaquin County Supervisor Steve Gutierrez, State Senator Deborah Ortiz, and Lieutenant Governor Cruz Bustamante attribute their participation in public service in part to the example and inspiration of Joe Serna.

As Supervisor Steve Gutierrez said, "Mayor Serna went from being a farm worker to organizer to an educator to mayor of Sacramento. He was truly an exemplary public servant and leader."

Most recently, I had the pleasure to meet with Mayor Serna in Sacramento just hours after a heinous shooting had occurred at a Jewish community center in Los Angeles. We had an opportunity to discuss at length the issue of hate crimes and other regional issues. Mayor Serna was passionate about his community and he deeply cared for its people. Even until his final days, he worked for a better life for his fellow citizens.

Joe Serna leaves a powerful legacy in many lives and a lasting vision for his beloved city of Sacramento. He was a dynamic leader, and we Californians were fortunate for his service. Mayor

Serna will be sorely missed. My thoughts and prayers are with his wife, Isabel, the entire Serna family, and the community of Sacramento.●

TRIBUTE TO BOB GREENLEE

● Mr. ALLARD. Mr. President, I would like to take this opportunity to recognize and congratulate Bob Greenlee on the occasion of his retirement from the Boulder City Council.

Bob and his wife Diane came to Colorado from Iowa in 1975 and used their savings to buy a small AM radio station in Boulder. Through their hard work and determination, they turned that small AM radio station into KBCO, one of the top radio stations in the State. In addition to their work in radio, they have also helped bring several successful businesses to their community, expanding nationwide and employing thousands of people across the country through their enterprises. As part of their overall business philosophy, Bob and Diane have helped many others achieve their entrepreneurial dreams by assisting them in business ventures and startup companies.

The Greenlee's have also been an integral part of the Boulder community through their philanthropic work. Together, they founded the Boulder County chapter of the "I Have a Dream Foundation" which assists underprivileged youth achieve their goal of a college education. Bob and Diane have also endowed their own family foundation to carry on their tradition of philanthropy in Colorado. Their work has helped thousands of people across Colorado in their desire to achieve the "American dream."

As the cornerstone of his community involvement, Bob served on the Boulder City Council for 16 years as the voice of common sense and reason. In 1997, Bob was selected on a unanimous vote by his fellow council members to serve as Boulder's mayor. As part of the city council, Bob's lasting legacy will be his thoughtful, reasoned voice in how a city should be operated. He views on frugality in the city budget and a common sense approach to city regulation will serve as an enduring reminder of his years of service to the community.

While he is retiring from City Council, Bob's interest in government has not ended. He currently serves as the chairman of the Republican Leadership Program. The program is aimed at teaching the fundamentals of our democracy and is used as a forum to discuss current issues that impact our everyday lives. His leadership has created one of the strongest programs of its kind in the country, and will serve to educate Coloradans on the need to be involved in the issues which face our state and our country.

Bob Greenlee has shown us all that the American dream can still be attained. He and Diane started by knowing that they could make a difference, and through their hard work and diligence, they were able to build their

lives in order to serve others. People like Bob and Diane Greenlee were the cornerstone of our democracy and must be recognized for their contributions to our society.

Mr. President, it is an honor and a privilege to recognize Bob Greenlee on his outstanding career and community involvement. I would like to thank Bob and Diane for their service, and wish them both much success in the future.●

WORLD CHAMPIONS

● Mr. BIDEN. Mr. President, on August 26, 1999, 13 young women, ages 15 and 16, put the First State on the map again by capturing the Senior League Softball World Series in Kalamazoo, Michigan.

This was a tremendous accomplishment for Delaware and for the country. The Stanton-Newport team completed an undefeated run through the double elimination tournament by winning a come-from-behind victory over a persistent and well seasoned team from the Philippines.

As one reporter put it, eight teams participated in the tournament, but "only one will have its flag fly over the field for the next year." Proudly that will be the flag of the United States of America thanks to the team from the great State of Delaware.

The Stanton-Newport team is an outstanding example of the power of youth sports in America. As I have said many times in the past, young people need a hobby they love, at least one adult who supports them and a good many friends with similar interests. Organized sports provides this much and more.

In competitive sports young people learn responsibility, discipline, and the importance of cooperation and teamwork on and off the field. Later, these same young individuals will be able to apply their hard-earned lessons to everyday life.

The young women of Stanton-Newport epitomize the exceptional athletes and citizens from across the nation who are inspired on a daily basis by their committed parents and coaches.

I am proud to call this team a home-grown product and continue to salute their efforts on behalf of the First State and the rest of our nation. They are indeed World Champions.●

DR. EDWIN STRONG-LEGS RICHARDSON

● Mr. SMITH of New Hampshire. Mr. President, I would like to take this opportunity to recognize the outstanding work and accomplishments of Dr. Edwin Strong-Legs Richardson, Penobscot Indian Psychologist and President of Kiyan Indian Consultant Group. He is also known as Song-gan-la Gan-Naw, which is Penobscot for Strong-Legs and Kiyan Nakicinjin, which is Sioux for Flying Defender.

Dr. Richardson's admirable work ethic began at the age of thirteen when he started supporting his family as a

logger. He has long been a nationally and internationally renowned applied behavioral scientist, consultant, trainer, retired Army Officer, and Spiritual Leader. For over fifty years, Dr. Richardson has been an educator-trainer, including professional ski instructor, mountaineer, and military instructor. He was voted one of the top instructors at four different universities/colleges and number one at two institutions.

As a combat Infantryman, Dr. Richardson fought the Germans, Japanese, and Vietnamese and served as the Commanding Officer of a Psychiatric Detachment in the Korean War. During his service, he was awarded for bravery under fire by his enlisted men and also received a commendation from General Westmoreland for an emergency landing of an airplane.

Dr. Richardson earned a B.S. in Pre-Med from the University of New Hampshire and his Masters of Education in Physical and Mental Rehabilitation from Springfield College. He then went on to The Ohio State University to receive his Doctorate in Health Education and Counseling.

I commend Dr. Richardson in raising public awareness of cultural diversity through his teaching, television programs, and books he has authored. He is an outstanding model for not only the Native American communities, but for all communities. Please join me in recognizing Dr. Edwin Strong-Legs Richardson.●

TRIBUTE HONORING CHRISTINE RUSSELL

● Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to Christine Russell, who last week left my staff after seven years as my legislative assistant and policy advisor on environmental, transportation and energy issues. She married Alex Wells on October 30th in South Carolina. She and her husband will be living in Harrisburg, PA.

As my primary staff member responsible for the Environment and Public Works Committee, which I now chair, she was one of my chief staff liaisons with New Hampshire municipalities in need of Federal assistance, and with the Federal and State agencies responsible for these important issues. Chris was always there for me, and for the people of New Hampshire. She will be terribly missed.

Christine came to my office from the National Association of Manufacturers a few years after I came to the Senate. She brought with her the skills to balance private sector and public sector concerns regarding environmental, energy and transportation issues. Skills which I found invaluable during her years in my office.

In addition to her outstanding policy skills, Chris provided a warm smile and enjoyable attitude to my Senate office. She was professional, intelligent, and articulate—but it was her enthusiasm and energy that was most infectious.

Chris was dedicated to her job, the U.S. Senate, and the people of New Hampshire. Alex is a very fortunate man, indeed!

Chris, on behalf of the people of New Hampshire and my entire staff, best wishes in all of your future endeavors. You deserve the best that life has to offer.●

EVERGREEN CARPET RECYCLING PLANT

● Mr. CLELAND. Mr. President, I rise today to express my support of private sector innovation to solve a public problem. My state is the site of a brand new, state of the art facility that will recycle carpets, chemically breaking them down to their virgin chemical components. Allied Signal and DSM are jointly opening the first-ever carpet recycling plant in Augusta, GA, on November 15. It's a fitting day for the opening of a carpet recycling plant since it is America Recycles Day 1999.

Carpets comprise of a significant portion of the Nation's landfills. Yet there are few programs at the state or local level targeted to redirecting carpets out of community landfills. The AlliedSignal-DSM facility, aptly named "Evergreen," will ensure that each year over 200 million pounds of carpet never see a landfill. Now it may be hard to imagine 200 million pounds of carpet, so let me help you visualize it. If you had a 12 foot wide roll of carpeting you could lay it from New York to San Francisco and back again, and that would equal about 200 million pounds. And the Evergreen facility will save that much landfill space each year.

The carpeting that will be recycled in Augusta will not simply be broken down mechanically and remade into new carpets. Instead it will be depolymerized—broken down chemically into the individual chemical polymers that comprise the nylon fiber in the carpets. The primary chemical is caprolactum, but they can't produce enough at their facilities to meet the demands of their customers.

So they had a choice to make—either find another source of caprolactum or build new chemical plants that could be used to make caprolactum. With dedicated research engineers, they made several technological breakthroughs that enabled them to obtain caprolactum from used carpeting in a more economical fashion than to produce it at a new chemical plant. They can actually recycle old carpets into caprolactum more economically than they could produce it from scratch.

Avoiding the production of caprolactum in itself yields tremendous environmental benefits. To produce from scratch the amount of caprolactum that the Evergreen facility will generate would take more than 700 million barrels of oil a year, and 4 trillion Btus more in energy usage. That is enough energy to heat 100,000

homes a year. So it is not just landfill space that is saved under the Evergreen project.

AlliedSignal and DSM plan to market nylon 6 products made with caprolactum from the Evergreen facility to carpet manufacturers, auto makers and others to produce the highest quality nylon products. You will soon see Infinity Forever Renewable Nylon on products in early 2000.

I applaud the private sector initiatives that led to the evergreen project and I am particularly pleased that they have chosen the great state of Georgia in which to operate.●

TRIBUTE TO JAMES DUNCAN

● Mr. BURNS Mr. President, I rise today in recognition of James Duncan of Billings, Montana, a shining example of altruism and leadership. He is being awarded the 1999 Outstanding Fund Raising Executive Award by the National Society of Fund Raising Executives.

As president of the Deaconess Billings Clinic Foundation, James has helped increase the Foundation's assets and endowments by over 46 million within four years. However, Jim's efforts extend far beyond the reaches of his organization. He has worked with ZooMontana, was instrumental in the donation of \$50,000 to Easter Seal, and donates his fund raising expertise free to rural communities across Montana.

Montana is lucky to have people like James Duncan. His dedication to this community serves as an example for all of us.●

TRIBUTE TO GORDON J. LINTON

● Mr. SARBANES. I rise today to pay tribute to a dedicated and effective leader of our Nation's transit program, Gordon J. Linton. Gordon recently resigned his post as the thirteenth head of the FTA to move on to other opportunities, and I would like to express my appreciation for the outstanding work that he has done.

During his six-year tenure as head of the Federal Transit Administration (FTA), Gordon Linton has proved to be one of the best and most accomplished Administrators. He spearheaded the FTA's Livable Communities Initiative which has demonstrated that transit can make a substantial contribution toward improving the quality of life in communities all across the Nation by improving the links between transportation and housing, schools, places of worship, employment and recreation. He worked tirelessly to expand citizen participation in the decision-making process to help make transit facilities and services more customer friendly and community-oriented. He played a key role in shaping the transit portion of the landmark Transportation Equity Act for the 21st Century—or TEA-21—which is providing record levels of funding for public transportation and established the innovative Access to

Jobs program which is designed to ensure that people in transition from welfare to work have adequate transportation services.

I first came to know Gordon six years ago in July, when I chaired his nomination hearing in the Banking, Housing, and Urban Affairs Committee. It was clear that day, and evident throughout the past six years, that Gordon Linton was a passionate advocate for transit. He not only designed and directed over \$37 billion in federal mass transit investments throughout the country—but never forgot that leadership begins by example and used public transportation himself to get to work and in traveling in communities around America. Mr. Linton came to Maryland on numerous occasions to support mass transit projects and improvements—projects such as the Baltimore Light Rail system; regional transit, such as the MARC commuter rail system; small town and rural systems to connect citizens in our rural areas to jobs, health care, education. He has done this in Maryland and he has done this in every state across the Nation.

Mr. Linton has exemplified a steadfast commitment to public service and public transportation. He is the longest-serving head of the Federal transit program since it was enacted in 1961. Before coming to Washington, Mr. Linton served as a member of the Pennsylvania House of Representatives in Pennsylvania where he was instrumental in passage of the Commonwealth's first dedicated source of funding for transit and Pennsylvania's seat belt legislation. I am pleased to say that through his work as a Pennsylvania legislator and through his sincere, skillful shepherding of the Federal transit assistance program, Mr. Linton has proven his commitment to improve mobility, invest in our future and make America more livable for all Americans.

Mr. President, I know that every one of us whose constituents have benefitted from Gordon J. Linton's leadership of our Federal Transit programs wish him well.●

TRIBUTE TO GARY W. PURYEAR

● Mr. SMITH of New Hampshire. Mr. President, I rise today to honor Gary W. Puryear of the 94th Regional Support Command, for his leadership and vision in creating one of the most comprehensive development and land exchange projects in support of the soldiers, sailors, and marines in the United States Armed Services.

Mr. Puryear established himself as a leader while developing a state-of-the-art home and training center for twenty-one units of the United States Army, Navy, and Marine Corps Reserve in Manchester. He spearheaded this innovative program, assisting the Department of the Army in saving over \$2.5 million dollars in repair and maintenance costs. His efforts also saved the Navy over \$350,000 per year in lease

costs, and fostered the expansion goals of both the Manchester Airport and Saint Anselm College.

Mr. Puryear also actively worked to publicize the Army Reserve's Modular Design System (MDS), highlighting its cost effectiveness and speed, and subsequently reaffirming the importance of pursuing a process of multiple and mutual success.

Mr. Puryear's efforts largely contributed to creating this state-of-the-art training center. As a result, 1,091 soldiers now occupy the center as a residence and a training site. The center itself indirectly helped expand the Manchester Airport as a vital shipping and transportation link by freeing up prime development space for airport related activities.

Gary Puryear has proven himself an innovative leader who is committed to the United States Armed Forces, and the community as a whole. He has assisted in saving the taxpayers thousands of dollars annually, enhancing the readiness of our armed forces, and solidifying a long-term military presence in Manchester and Londonderry. It is an honor to represent him in the United States Senate.●

TRIBUTE TO MARK ALDRICH, TRUSTED ADVISOR AND FRIEND

● Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to Mark Aldrich on the occasion of his retirement, on November 30th, from the United States Senate after 20 years of service.

For the past nine years, Mark has served as my State Director, confidant and community leader. Mark also served my predecessor, Senator Gordon Humphrey, as a loyal and dedicated staff member for more than a decade.

Over the years, I have had the pleasure to travel thousands of miles with Mark, through the Great North Woods, the covered bridges of Orford and Cornish, and the scenic mountains of the Monadnock Region. Mark and I drove in his old Cadillac * * * sharing stories and helping the people of New Hampshire.

Together we worked to secure federal funding for the expansion of the Manchester Airport, the newly completed Reserve Center in Londonderry, the Portsmouth Naval Shipyard, the development of the Pease Air Force Base and so many other important projects that have helped to fuel the New Hampshire economy. Mark should take great pride in his many fine accomplishments, especially in promoting economic vitality in the North Country and throughout the state. I know that the many businesses and communities he helped will miss him, as I will.

Mark is the kind of leader that we all aspire to become. He mixed humor with guidance, making each of his fellow staff members feel comfortable while sharing his advice and expertise. He energized the office allowing for greater productivity and a fierce sense of loyalty.

As Mark embarks on this new journey, I wish he and Connie every happiness life has to offer. I know he will enjoy his leisure time with Jonathan exploring the trails of the White Mountains and I am sure his coaching skills will continue to flourish as he cheers on Molly and her teammates at Concord High. And the engagements with his band "Souled Out" will continue to experience success. I hope Mark will enjoy this poem by New Hampshire poet, Robert Frost.

The woods are lovely, dark and deep.
But I have promises to keep,
And miles to go before I sleep.
And miles to go before I sleep.

Mark, it has truly been an honor to call you my friend. It is a pleasure to represent you in the United States Senate.

I wish you God speed and good luck in your future endeavors.●

COMMEMORATING THE FIFTH ANNIVERSARY OF THE SHOOTING OF SAN FRANCISCO POLICE OFFICER JAMES GUELFF

● Mrs. FEINSTEIN. Mr. President, I rise today to pay tribute to San Francisco Police Officer James Guelff on the fifth anniversary of his death in the line of duty.

This coming Saturday, the City of San Francisco will honor Officer Guelff by having his name enshrined at the corner of Pine and Franklin in San Francisco where he was slain on November 13, 1994.

Responding to a distress call, Officer Guelff, stationed at Northern Police Station, reached the crime scene and was immediately fired upon by a suspect shielded by body armor and armed with an AK 223, an Uzi, two semi-automatic pistols, and thousands of rounds of ammunition. In an attempt to defend himself, Officer Guelff returned fire but his police issue revolver could not penetrate the gunman's kevlar vest and bulletproof helmet. Officer Guelff was killed under the barrage of the assailant's bullets as he attempted to reload his revolver.

Officer James Guelff bravely faced an assailant with defensive armor and firepower no police officer should ever confront. In response to his death, his relatives and fellow officers embarked on a national campaign to restrict felons' access to body armor.

This incident helped raise awareness of the unacceptable risks officers face on the street when they encounter gunmen with equal or better defensive protection. The bottom line is that criminals who use body armor have a deadly offensive weapon.

It is a tribute to the memory of Officer James Guelff and a tribute to the persistence and dedication of his family and fellow officers that California passed legislation restricting the use of body armor by felons.

Earlier this year, I introduced the James Guelff Body Armor Act of 1999 to enact Federal regulations on body

armor. First, the measure increases the penalties criminals receive if they commit a crime wearing body armor. Specifically, a violation will lead to an increase of two levels under the Federal sentencing guidelines. Second, it makes it unlawful for violent felons to purchase, use, or possess body armor.

This legislation is included in S. 254, the Juvenile Justice Crime bill, which is in its final negotiations in a joint House-Senate conference committee.

It is my hope that the Conference Committee will finish its job quickly so that we can provide a lasting tribute to Officer James Guelff. This legislation will better protect our police officers by making sure they are adequately supplied with body armor, and that hardened criminals are deterred from using body armor.

Mr. President, I urge my colleagues to join me on this special day in honoring Officer James Guelff and celebrating the life of a true American hero.●

HONORING ALASKA'S VETERANS OF UNDERAGE MILITARY SERVICE

● Mr. MURKOWSKI. Mr. President, earlier this year the Alaska Legislature passed a resolution honoring Alaska's Veterans of Underage Military Service. This is an important veterans organization in Alaska, and I would like to let the Senate know a little bit about it by submitting the text of the state resolution in the RECORD.

I ask that the resolution be printed in the RECORD.

The resolution follows:

RESOLUTION OF THE ALASKA LEGISLATURE HONORING ALASKA'S VETERANS OF UNDERAGE MILITARY SERVICE

The Twenty-first Alaska State Legislature is proud to commend Veterans of Underage Military Service and its members for their attempts to locate and assist all underage veterans of America's armed forces.

Throughout history, nations have called upon their youth to fight their wars, and it is inevitable that some men and women under the legal age, usually driven by strong patriotism, have enlisted in the armed forces. In some instances, these youth were discovered and separated from the service having already seen action. After being discharged from one branch of service for being underage, many promptly enlisted in another branch of the armed services.

The Twenty-first Alaska State Legislature recognizes these men and women who understood the importance of fighting for freedom and honors their valiant efforts as defenders of the United States of America during times of war and peril. The Veterans of Underage Military Service Veterans was formed in 1990 to help such individuals, who were frequently discharged from the service and stripped of their awards and their military benefits.

The goal of the Veterans of Underage Military Service organization is to contact all veterans who served in any branch of the United States Armed Forces when they were under legal age and to advise and assist them in obtaining a proper discharge and veterans' benefits. A secondary goal is to establish a historical record of underage veterans by publishing their names, deeds, and stories. The organization currently consists of more

than 1,000 members nationwide who served in the United States Armed Forces before they were of legal age.

The Twenty-first Alaska State Legislature wishes to recognize Alaska's own members of the Veterans of Underage Military Service: Judd Clemens, Michael Mitchell, Gordon Severson, Gene Wheeler, Larry Connolly, Miles Pierce, Elsie Sexton, and Thor Weatherby.

We, the members of the Twenty-first Alaska State Legislature honor the Veterans of Underage Military Service. We commend them for their attempts to locate and assist all underage veterans of the United States Armed Forces and support their efforts to make "whole" these national heroes.●

TRIBUTE TO ANDY FRENCH, EDDIE WILSON, AND LIBBY O'FLAHERTY FOR THEIR HEROIC EFFORTS

● Mr. SMITH of New Hampshire. Mr. President, I rise today to honor three individuals who define heroic action and the selflessness of many of the citizens of the State of New Hampshire. While only teenagers, these three individuals acted with maturity and grace in saving the life of Carol Black of Newton, Massachusetts.

Andy French, Eddie Wilson, and Libby O'Flaherty, all of Gilford, New Hampshire, were enjoying a quiet afternoon on the lake when they spotted Carol Black. Upon seeing the body of the unconscious woman in the water of Lake Winnepesaukee, the three youths selflessly came to her aid. They did not hesitate before saving her, a testament to their individual honor.

Mr. President, in a society where we too often hear stories of youth violence, it is refreshing to hear of heroic deeds such as this. Too often, the actions of a few that have wandered from the fold overshadow those who have acted with continual kindness.

It is one of the deepest pleasures for me to be able to rise today to honor these three individuals from my home area. Their kindness and dedication sets a precedent for other youth to follow. It is an honor to represent them in the United States Senate.●

ADDRESS BY KING ABDULLAH OF JORDAN AT THE KENNEDY LIBRARY

● Mr. KENNEDY. Mr. President, on October 14, the John F. Kennedy Presidential Library in Boston hosted a dinner in honor of King Abdullah II of Jordan.

In his remarks, King Abdullah spoke eloquently of the strong ties between the United States and Jordan, his vision for strengthening peace in the Middle East, and his hope of creating new opportunities for future generations in Jordan.

Like his father, King Hussein, King Abdullah cares deeply about the Jordanian people and stability in the region, and his comments are very inspiring. I believe that all of us who care about the future of the Middle East

will be interested in his remarks, and I ask that they be printed in the RECORD.

The remarks follow:

SPEECH BY HIS MAJESTY KING ABDULLAH II AT THE KENNEDY LIBRARY IN BOSTON, THURSDAY, OCTOBER 14, 1999

Senator Kennedy, Mrs. Kennedy, Mr. Manning, Ladies and gentlemen, allow me first to express my sincere gratitude for this beautiful evening which Rania and I shall cherish for the rest of our lives.

Senator, I would like to add my voice to all those who have paid tribute, over the years, to the Kennedy family, for the contribution that they have made to the improvement of human life and for the painful sacrifices that have made us all realize the value of true citizenship.

I say that Senator, because I also happen to belong to a family that has devoted itself since the turn of this century to the improvement of the life of the Arab people. Over the years, many sacrifices have been made to ensure that the freedom, liberty, and integrity of the Arab mind is sacrosanct, that the rights of the Arabs are not forgotten or betrayed and that their future is protected.

As I conclude my second working visit to the United States, I am very proud of the special relations that bind Jordan with your country. The foundations of these ties, so carefully laid by my late father have seen us making peace with our Israeli neighbors, and subsequently guarding its sustainability and continuity. Through our partnership with America, we have built a unique model in our region. It is a model of peace that is cemented by the respect of the principles of democracy, freedom of expression, political pluralism, free economic enterprise, and human dignity. It is being continually reinforced through our positive interaction with our neighbors.

Most importantly, it is the necessary requirement for successfully facing the challenges ahead which are numerous and quite complex. In my mind, the most daunting task that I have set myself to accomplish is to guarantee that our younger generation get an equal opportunity like others elsewhere in the world: An opportunity to be active participants in the shaping of their own destiny, one that will hopefully focus on technological advances in science, on being a part of the information technology revolution, and on being able to enjoy the best of education, medical care, and environmental standards.

These are big challenges that necessitate, first and foremost, that we rid ourselves of the dark past of war, conflict, and strife in our region, prior to getting ready to embark on a future course of promise, rewards, and accomplishments.

These challenges require more than ever that the partnership with the United States be solid, strong, and sustainable. The role that the United States has played in the making of peace in our region must be complemented with continued efforts designed to rehabilitate our region. If it is to effectively participate in the community of nations, not through conflict, but rather through a concrete realization of a new positive role.

All of you present here tonight can contribute to the making of a new region. We in Jordan will continue to provide the model, but we need your support and contribution.

I do not want to keep you any longer; suffice it to say that I am very grateful to all of you for your interest, your support, and your determination to help us attain a dream that befits the dawn of a new millennium.

Thank you again, and we hope to see you in the near future in our part of the world.●

TRIBUTE TO MAJOR CLINT CROSIER

Mr. SMITH of New Hampshire. Mr. President, I rise today to recognize Major Clinton E. Crosier, an Air Force Fellow on my staff, and commend his superior performance throughout this past year as a key member of my national security team.

Major Crosier has been on active duty since 1988. During his 11-year career he has served as an Executive Office and Operations Management Officer, during which time he deployed to Saudi Arabia during Operations Desert Shield and Desert Storm. He has served as a Satellite Operations Flight Commander, overseeing the operations of part of the Air Force's multibillion dollar constellation of military communications satellites; and also as a Missile Operations Crew Commander and Flight Commander, supervising the training and certification of over 200 of the nuclear launch officers serving as the backbone of America's nuclear deterrent.

During his career, his outstanding performance and professionalism has been recognized by his selection as the 90th Missile Wing's Staff Officer of the Year; 28th Air Division's Company Grade Officer of the Year and Lance P. Sijan Leadership Award Winner; three-time selection as unit Company Grade Officer of the Year; Unit Evaluator of the Year; and Unit Flight Commander of the Year. Major Crosier is also a Distinguished Graduate of the Air Force's Operations Management Officer school and Squadron Officer School, and graduated first in his class during satellite operations training and missile operations training.

Upon arrival at the Pentagon just over a year ago, Major Crosier was tasked with building the Air Force's first ever Air Command and Staff College program for Congressional staff. This program, known as ACSC, is a 44-week graduate level program designed to provide mid-career officers with an in-depth understanding of the principles and application of air and space power. This was the first time in history this program had been offered to Congressional staff. In this capacity, Major Crosier was directly responsible for the graduation of 18 staff members from both the House and Senate in a ceremony last month over which the Secretary of the Air Force presided. During this ceremony, Secretary Peters heralded the Capitol Hill ACSC seminar Major Crosier built as a "very important tool to cement the important partnership between the Air Force and the Congress . . . that will serve indefinitely as a bridge between our two great institutions." Additionally, Secretary Peters praised Major Crosier personally by describing his effort as an "astronomical benefit" to the Air Force.

Most recently, Major Crosier was one of only 10 officers in the entire Air Force selected for the prestigious Legislative Fellowship program, through

which he came to work as a member of my personal staff. The Air Force's Legislative Fellowship program is designed to identify the Air Force's highest caliber performers through an extremely competitive selection process. These individuals are then provided an in-depth education in the legislative processes of Congress through a one-year assignment in a Member's office, to prepare them for future senior leadership positions in the Air Force. Throughout the past year, he has been an invaluable resource to me, and a credit to the United States Air Force.

Due to his vast experience in space and missile operations, Clint was able to provide me with expert assistance in my capacity as Chairman of the Strategic Force Subcommittee on Armed Services, providing technical expertise on a myriad of advanced space operations and missile defense programs. He quickly became an expert on dozens of programs critical to national security. Major Crosier also was responsible for performing topical research and preparing me for dozens of Armed Services Committee hearings, and provided a vital role on a number of wide ranging issues from the Department of Defense Authorization and Appropriations Bills to the Comprehensive Test Ban Treaty and the Vieques Weapons Range.

Major Crosier has been an outstanding addition to my staff, and has served with the highest degree of integrity and distinction. His performance has earned my highest praise, and he has distinguished himself as one of the top military officers I have had the great privilege to know during 16 years in Congress. Major Crosier has demonstrated himself to be one of the Air Force's brightest future senior leaders. As Major Crosier departs the Senate to serve on the personal staff of the Secretary of the Air Force, I extend my sincerest appreciation for his valuable and professional service. I will not only miss Clint's knowledge and efficiency, I will also miss his enthusiasm. Clint is an honorable and dedicated individual. I wish he, his wife Shelle, and their children, all the best in future endeavors.

SENATE COMMITTEE CHANGES

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. Res. 228, submitted earlier by Senators LOTT and DASCHLE.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 228) making changes to Senate committees for the 106th Congress.

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

Mr. GORTON. Mr. President, I ask unanimous consent that the resolution be agreed to, and the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 228) was agreed to, as follows:

S. RES. 228

Resolved, That notwithstanding the provisions of S. Res. 400 of the 95th Congress, or the provisions of rule XXV, the following changes shall be effective on those Senate committees listed below for the 106th Congress, or until their successors are appointed:

Committee on Intelligence: Add Mr. Mack.

SENATE COMMITTEE APPOINTMENTS

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. Res. 229 submitted earlier by Senator LOTT.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 229) making certain majority appointments to certain Senate committees for the 106th Congress.

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

Mr. GORTON. Mr. President, I ask unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 229) was agreed to, as follows:

S. RES. 229

Resolved, That notwithstanding the provisions of Rule XXV, the following shall constitute the majority membership on those Senate committees listed below for the 106th Congress, or until their successors are appointed.

Committee on Finance: Mr. Roth (Chairman), Mr. Grassley, Mr. Hatch, Mr. Murkowski, Mr. Nickles, Mr. Gramm, Mr. Lott, Mr. Jeffords, Mr. Mack, Mr. Thompson, and Mr. Coverdell.

Committee on Foreign Relations: Mr. Helms (Chairman), Mr. Lugar, Mr. Hagel, Mr. Smith of Oregon, Mr. Grams, Mr. Brownback, Mr. Thomas, Mr. Ashcroft, Mr. Frist, and Mr. Chafee.

Committee on Environment and Public Works: Mr. Smith of New Hampshire (Chairman), Mr. Warner, Mr. Inhofe, Mr. Thomas, Mr. Bond, Mr. Voinovich, Mr. Crapo, Mr. Bennett, Mrs. Hutchinson, and Mr. Chafee.

Committee on Ethics: Mr. Roberts (Chairman), Mr. Smith of New Hampshire, and Mr. Voinovich.

WAIVING ENROLLMENT REQUIREMENTS FOR FIRST SESSION OF 106TH CONGRESS

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of H.J. Res. 76, which is at the desk.

The PRESIDING OFFICER. The clerk will report the joint resolution by title.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 76) waiving certain enrollment requirements for the re-

mainder of the first session of the One Hundred Sixth Congress with respect to any bill or joint resolution making general appropriations or continuing appropriations for fiscal year 2000.

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. GORTON. Mr. President, I ask unanimous consent that the joint resolution be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD.

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

The joint resolution (H.J. Res. 76) was read the third time and passed.

APPOINTMENTS

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, in accordance with 22 U.S.C. 1928a-1928d, as amended, appoints the following Senators as members of the Senate Delegation to the North Atlantic Assembly (NATO Parliamentary Assembly) during the First Session of the 106th Congress, to be held in Amsterdam, The Netherlands, November 11-15, 1999:

The Senator from Iowa (Mr. GRASSLEY),

The Senator from Utah (Mr. BENNETT), and

The Senator from Hawaii (Mr. AKAKA).

ORDERS FOR WEDNESDAY, NOVEMBER 10, 1999

Mr. GORTON. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Wednesday, November 10. I further ask unanimous consent that on Wednesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume on S. 625, the bankruptcy reform bill, under the previous order.

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

PROGRAM

Mr. GORTON. For the information of all Senators, the Senate will resume consideration of the bankruptcy bill at 9:30 a.m. on Wednesday. Under the previous order, there will be up to 4 hours of debate on the Hatch amendment No. 2771 regarding drugs, with a vote to follow the use or yielding back of that time. The votes on the nomination of Carol Moseley-Braun and Linda Morgan will be stacked to follow the vote on the drug amendment. Thus, Senators can expect three back-to-back

votes between 12 noon and 1 p.m. tomorrow. There are a number of amendments pending on the bankruptcy bill, and it is hoped that they can be disposed of in a timely fashion, along with any other amendments Senators intend to offer to this legislation. The Senate may also be ready to take action on the remaining appropriations bills during tomorrow's session of the Senate. Senators should adjust their schedules for the possibility of votes throughout the day and into the evening. The leadership appreciates the patience and cooperation of his colleagues as we attempt to complete the appropriations process prior to Veterans Day.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. GORTON. If there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:38 p.m., adjourned until Wednesday, November 10, 1999, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 9, 1999:

FEDERAL MARITIME COMMISSION

ANTHONY M. MERCK, OF SOUTH CAROLINA, TO BE A FEDERAL MARITIME COMMISSIONER FOR THE TERM EXPIRING JUNE 30, 2001, VICE MING HSU, TERM EXPIRED.

DEPARTMENT OF ENERGY

JAMES JOHN HOECKER, OF VIRGINIA, TO BE A MEMBER OF THE FEDERAL ENERGY REGULATORY COMMISSION FOR THE TERM EXPIRING JUNE 30, 2005. (REAPPOINTMENT)

PEACE CORPS

MARK L. SCHNEIDER, OF CALIFORNIA, TO BE DIRECTOR OF THE PEACE CORPS, VICE MARK D. GEARAN, RESIGNED.

HARRY S. TRUMAN SCHOLARSHIP FOUNDATION

MEL CARNAHAN, OF MISSOURI, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE HARRY S. TRUMAN SCHOLARSHIP FOUNDATION FOR A TERM EXPIRING DECEMBER 10, 2005. (REAPPOINTMENT)

DEPARTMENT OF JUSTICE

RANDOLPH D. MOSS, OF MARYLAND, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE WALTER DELLINGER.

JOHN R. LACEY, OF CONNECTICUT, TO BE CHAIRMAN OF THE FOREIGN CLAIMS SETTLEMENT COMMISSION OF THE UNITED STATES FOR A TERM EXPIRING SEPTEMBER 30, 2000, VICE DELISSA A. RIDGWAY, TERM EXPIRED.

LARAMIE FAITH MCNAMARA, OF VIRGINIA, TO BE A MEMBER OF THE FOREIGN CLAIMS SETTLEMENT COMMISSION OF THE UNITED STATES FOR A TERM EXPIRING SEPTEMBER 30, 2001, VICE JOHN R. LACEY, TERM EXPIRED.

WITHDRAWALS

Executive messages transmitted by the President to the Senate on November 9, 1999, withdrawing from further Senate consideration the following nominations:

DEPARTMENT OF EDUCATION

MARSHALL S. SMITH, OF CALIFORNIA, TO BE DEPUTY SECRETARY OF EDUCATION, VICE MADELEINE KUNIN, WHICH WAS SENT TO THE SENATE ON MARCH 25, 1999.

DEPARTMENT OF JUSTICE

BETH NOLAN, OF NEW YORK, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE WALTER DELLINGER, WHICH WAS SENT TO THE SENATE ON MARCH 5, 1999.