November 19, 1999

CONGRESSIONAL RECORD—SENATE

31081

adulst care food program; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. JEFFORDS (for himself, Mr. KENNEDY, and Mr. Frist):
S. 1996. A bill to amend the Public Health Service Act to clarify provisions relating to the costs for petitioner's compensation under the vaccine injury compensation program; considered and passed.

S. 1997. A bill to simplify Federal oil and gas revenue distributions, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. Mccain:
S. 1998. A bill to establish the Yuma Crossing National Heritage Area; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, referred (or acted upon), as indicated:

By Mr. Bayh (for himself, Mr. Breaux, Mr. Grassley, Mr. Burns, Mr. Reid, Mr. Jeffords, Mr. Lugar, Mr. Warner, Mr. Bentsen, Mr. Durenberger, Mr. Bryan, Mr. Kennedy, Mrs. Murray, Mr. Smith of Oregon, Mr. Reid, Mr. Edwards, Mr. Dorgan, Mr. Cochran, Mr. Mikulski, Mr. Johnson, Mr. Stevens, Mr. Cleland, Mr. Akaka, Mr. Specter, Ms. Landrieu, Mr. Wellstone, Mr. Baucus, Mr. Kerry, Mr. DeWine, Mr. Lieberman, Mr. Wyden, Mr. Enzi, Mr. Bingaman, Mr. Rohr, Mr. Inouye, Mr. Boxer, Mrs. Lincoln, Mr. Dodd, Mr. Torricelli, Ms. Schumer, Mr. Graham, Mr. Feinstein, and Mrs. Feinstein):
S. Res. 234. A resolution recognizing the contribution of older persons to their communities and commending the work of organizations that participate in programs assisting older persons and that promote the goals of the International Year of Older Persons; considered and agreed to.

By Mr. McConnell:
S. Res. 235. A resolution to authorize the printing of a revised edition of the Nomination and Election of the President and Vice President of the United States; considered and agreed to.

S. Res. 236. A resolution to authorize the printing of a revised edition of the Nomination and Election of the President and Vice President of the United States; considered and agreed to.

By Mrs. Boxer (for herself, Mrs. Murray, Mrs. Lincoln, Mr. Mikulski, Mrs. Feinstein, Ms. Collins, Ms. Landrieu, and Ms. Snowe):
S. Res. 237. A resolution expressing the sense of the Senate that the United States Senate Committee on Foreign Relations should hold hearings and the Senate should act on the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW); ordered to lie over under the rule.

By Mr. Lott (for himself and Mr. Daschle):
S. Res. 240. A resolution commending Stephen G. Bale, Keeper of the Stationery, United States Senate; considered and agreed to.

By Mr. Lott:
S. Res. 241. A resolution to direct the Senate Commission on Art to recommend to the Senate two outstanding individuals whose paintings shall be placed in two of the remaining unfilled spaces in the Senate reception room; considered and agreed to.

By Mr. Lott (for himself and Mr. Daschle):
S. Con. Res. 77. A concurrent resolution making technical corrections to the enrollment of H.R. 3184; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. Mack (for himself and Mr. Breaux):
S. 1975. A bill to amend the Internal Revenue Code of 1986 to modify the tax on generation-skipping transfers to eliminate certain traps for the unwary and otherwise improve the fairness of such tax; to the Committee on Finance.

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

THE GENERATION-SKIPPING TRANSFER TAX AMENDMENTS ACT

Mr. Mack: Mr. President, today Senator Breaux and I join in introducing legislation to correct serious problems in the allocation of generation-skipping transfer tax (GST) exemptions. This legislation would provide relief to taxpayers for missed allocations of the GST exemption and would make the exemption allocation automatic, in place of the current law requirement that the taxpayers take an affirmative step to claim the exemption. This proposed change was included in the Taxpayer Refund and Relief Act of 1999, but failed to become law due to the President's veto of that bill.

Under this legislation, the GST exemption is automatically allocated to "indirect skip" transfers made while the donor is alive. An indirect skip is a transfer of property subject to the gift tax that is made to a GST trust. Direct skips (generally, transfers solely for the benefit of grandchildren) are already covered by an automatic allocation rule. An individual may elect not to have the automatic allocation rule apply to an indirect skip. Also, under this legislation, the GST exemption may be allocated retroactively when there is an unnatural order of death. If a lineal descendant of the transferor predeceased the transferor, then the transferor may allocate the unused GST exemption to any previous transferer or transfers to the trust on a chronological basis.

This legislation also provides authorization and direction to the Treasury Secretary to grant extensions of time to make the election to allocate the GST exemption and to grant exceptions to the time requirement. If such relief is granted, then the value on the date of transfer to the trust would be used for determining GST exemption allocation.

Mr. President, this important legislation which deserves enactment at the earliest possible date, asks unan- ununau umous 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. 1975

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Generation-Skipping Transfer Tax Amendments Act of 1999".

SEC. 2. DEEMED ALLOCATION OF GST EXEMPTION TO LIFETIME TRANSFERS TO TRUSTS; RETROACTIVE ALLOCATIONS.

(a) IN GENERAL.—Section 2632 of the Internal Revenue Code of 1986 (relating to special rules for allocation of GST exemption) is amended by redesignating subsection (c) as subsection (e) and by inserting after subsection (b) the following new subsections:

"(c) DEEMED ALLOCATION TO CERTAIN LIFE-TIME TRANSFERS TO GST TRUSTS.—

"(1) GENERAL.—If any individual makes an indirect skip during such individual's lifetime, any unused portion of such individual's GST exemption shall be allocated to the property transferred to the extent necessary to make the inclusion ratio for such property zero. If the amount of the indirect skip exceeds such unused portion, the entire unused portion shall be allocated to the property transferred.

"(2) UNUSED PORTION.—For purposes of paragraph (1), the unused portion of an individual's GST exemption is that portion of such exemption which has not previously been—

(A) allocated by such individual,

(B) treated as allocated under subsection (b) with respect to a direct skip occurring during or before the calendar year in which the indirect skip is made, or

(C) treated as allocated under paragraph (1) with respect to a prior indirect skip.

"(3) DEFINITIONS.—

(A) INDIRECT SKIP.—For purposes of this subsection, the term 'indirect skip' means any transfer of property subject to the tax imposed by chapter 22 of the GST law.

(B) GST TRUST.—The term 'GST trust' means a trust that could have a generation-skipping transfer with respect to the transferor unless—

(i) the trust instrument provides that more than 25 percent of the trust corpus must be distributed to or may be withdrawn by 1 or more individuals who are non-skippersons on or before the date that the individual attains age 46, or

(ii) on or before May 17, 1997 (the date that the individual attains age 46, or

(iii) upon the occurrence of an event that, in accordance with the rules prescribed by the Secretary of the Treasury, may be expected to occur before the date that such individual attains age 46.
“(ii) the trust instrument provides that more than 25 percent of the trust corpus either must be disposed of by the trust at the close of the estate tax inclusion period or, in the case of an allocation deemed to have been made at the close of an estate tax inclusion period, and

“(iii) the trust instrument provides that a non-skip person if such person is alive when the monthly payments which for purposes of the section are allowed to be made is entitled to withdraw so much of such property as does not exceed the amount referred to in section 2622 for gifts made within the calendar year within which the non-skip person's death occurred—

“(A) the value of such transfer or transfers for purposes of section 2642(a) shall be determined as if such allocation had been made on a timely filed gift tax return filed on or before the date prescribed by section 6075(b) for gifts made within the calendar year in which the non-skip person's death occurred—

“(B) such allocation shall be effective immediately before such death, and

“(C) the transferor's unused GST exemption available to be allocated shall be determined immediately before such death.

“(3) FUTURE INTEREST.—For purposes of this subsection, a person has a future interest in a trust if it may permit income or corpus to be paid to such person on a date or dates in the future.''

''(ii) TRUSTS WITH INCLUSION RATIO GREATER THAN 1.—If the trust instrument provides that

''(I) the single trust was divided on a fractional basis, and

''(II) the terms of the new trusts, in the aggregate, provide for the same succession of beneficial interests as are provided in the original trust.

''(B) QUALIFIED SEVERANCE.—For purposes of subparagraph (A)—

''(I) the term 'qualified severance' means the division of a single trust and the creation (by any means available under the governing instrument or under local law) of a single trust and the creation (by any means available under the governing instrument or under local law) of

''(A) a non-skip person has an interest or a power of appointment over a fraction of a trust to which any transfer has been made,

''(B) such person—

''(i) is a lineal descendent of a grandparent of the transferor or a grandparent of the transferor's spouse or former spouse, and

''(ii) is assigned to a generation below the generation assignment of the transferor, and

''(C) such person predeceases the transferor, then the transferor may make an allocation of any of such transferor's unused GST exemption available to be allocated to the trust on a chronological basis.

“(2) SPECIAL RULES.—If the allocation under paragraph (1) by a transferor is made on a gift tax return filed on or before the date prescribed by section 6075(b) for gifts made within the calendar year in which the non-skip person's death occurred—

''(A) the value of such transfer or transfers for purposes of section 2642(a) shall be determined as if such allocation had been made on a timely filed gift tax return for each calendar year within which each transfer was made,

''(B) such allocation shall be effective immediately before such death, and

''(C) the transferor's unused GST exemption available to be allocated shall be determined immediately before such death.

“(3) FUTURE INTEREST.—For purposes of this subsection, a person has a future interest in a trust if it may permit income or corpus to be paid to such person on a date or dates in the future.''

''(ii) EFFECTIVE DATES.—(1) DEEMED ALLOCATION.—Section 2623(c) of the Internal Revenue Code of 1986 (as added by subsection (a), and the amendment made by subsection (b), shall apply to transfers subject to chapter 11 or 12 of such Code made after December 31, 1999, and to estate tax inclusion periods ending after December 31, 1999.

“(2) RETROACTIVE ALLOCATIONS.—Section 2623(d) of the Internal Revenue Code of 1986 (as added by subsection (a), and the amendment made by this section) shall apply to transfers to deaths of non-skip persons occurring after the date of the enactment of this Act.

“(5) APPLICABILITY AND EFFECT.—

''(i) EFFECTIVE DATES.—(1) DEEMED ALLOCATION.—Section 2623(c) of the Internal Revenue Code of 1986 (as added by subsection (a), and the amendment made by subsection (b), shall apply to transfers subject to chapter 11 or 12 of such Code made after December 31, 1999, and to estate tax inclusion periods ending after December 31, 1999.

“(2) RETROACTIVE ALLOCATIONS.—Section 2623(d) of the Internal Revenue Code of 1986 (as added by subsection (a), and the amendment made by this section) shall apply to transfers to deaths of non-skip persons occurring after the date of the enactment of this Act.

“(6) RELIEF PROVISIONS—

“(A) IN GENERAL.—Subsection (a) of section 2642 of the Internal Revenue Code of 1986 (relating to inclusion ratio) is amended by adding at the end the following new paragraph:

''(I) the single trust was divided on a fractional basis, and

''(II) the terms of the new trusts, in the aggregate, provide for the same succession of beneficial interests as are provided in the original trust.

“(C) TIMING AND MANNER OF SEVERANCES.—A transfer pursuant to paragraph (a) may be made at any time. The Secretary shall prescribe by forms or regulations the manner in which the qualified severance shall be recognized for purposes of chapter 12 of such Code made by this section and, in the case of an allocation deemed to have been made at the close of an estate tax inclusion period, its value at the time of the close of such estate tax inclusion period, and

“(B) such allocation shall be effective on and after the date of such transfer, or, in the case of an allocation deemed to have been made at the close of an estate tax inclusion period, on and after the close of such estate tax inclusion period.''

“(B) TRANSFERS AT DEATH.—Subparagraph (A) of section 2623(b) of such Code is amended to read as follows:

''(A) TRANSFERS AT DEATH.—If property is transferred as a result of the death of the transferor, the value of such property for purposes of subsection (a) shall be its value as finally determined for purposes of chapter 11, except that, if the requirements prescribed by the Secretary with respect to a distribution of post-death changes in value are not met, the value of such property shall be determined as of the time of the distribution concerned.

“(C) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 1431 of the Tax Reform Act of 1986.

“(6) RELIEF PROVISIONS—

“(A) IN GENERAL.—Section 2626 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(g) RELIEF PROVISIONS.—

“(1) RELIEF FOR LATE ELECTIONS.—The Secretary shall by regulation prescribe such circumstances and procedures under which extensions of time will be granted to make a timely allocation of GST exemption described in paragraph (1) or (2) of subsection (b), and

“(ii) an election under subsection (b)(3) or (c)(5) of section 2622.

Such regulations shall include procedures for requesting comparable relief with respect to
transfers made before the date of enactment of this paragraph.

(B) BASIS FOR DETERMINATIONS.—In determining whether to grant relief under this paragraph, the Secretary shall take into account all relevant circumstances, including evidence of intent contained in the trust instrument or instrument of transfer and such other factors as the Secretary deems relevant. In determining whether to grant relief under this paragraph, the time for making the allocation (or election) shall be treated as if not expressly prescribed by statute.

(2) SUBSTANTIAL COMPLIANCE.—An allocation of GST exemption under section 2622 that demonstrates an intent to have a zero inclusion ratio with respect to a trust or instrument of transfer and such other factors as the Secretary deems relevant shall be treated as an allocation of a zero inclusion ratio. In determining whether to grant relief under this paragraph, the Secretary shall take into account all relevant circumstances, including evidence of intent contained in the trust instrument or instrument of transfer and such other factors as the Secretary deems relevant.

(b) EFFECTIVE DATES.—

(1) RELIEF FOR LATE ELECTIONS.—Section 2642(g)(1) of the Internal Revenue Code of 1986 (as added by subsection (a)) shall apply to requests pending on, or filed after, the date of enactment of this Act.

(2) SUBSTANTIAL COMPLIANCE.—Section 2642(g)(2) of such Code (as so added) shall take effect on the date of enactment of this Act and shall apply to allocations made prior to such date for purposes of determining the tax consequences of generation-skipping transfers with respect to which the period of time for filing claims for refund has not expired. No negative implication is intended with respect to the availability of relief for late elections or the application of a rule of substantial compliance to the enactment of this amendment.

Mr. BREAX. Mr. President, I am pleased to have as cosponsors Senators THOMPSON, LIEBERMAN, and ABRAHAM:

S. 1977. A bill to review, reform, and terminate unnecessary and inequitable Federal subsidies; to the Committee on Governmental Affairs.

CORPORATE SUBSIDY REFORM COMMISSION ACT OF 1999

Mr. MCCAIN. Mr. President, I rise today to introduce legislation to establish a process to eliminate and reform federal subsidies and tax advantages received by corporations. This bill, "The Corporate Subsidy Reform Commission Act" is identical to a bill that was reported out of the Senate Governmental Affairs Committee in May, 1997. I am pleased to have as cosponsors Senators THOMPSON, LIEBERMAN, and ABRAHAM.

I would like to briefly describe the major provisions of the Corporate Subsidy Reform Commission Act. It defines inequitable subsidies as those provided to corporations without a reasonable expectation that they will return a commensurate benefit to the public.

The Act excludes any subsidies that are primarily for research and development, education, health safety, or the environment. Also excluded are subsidies or tax advantages necessary to comply with international trade or treaty obligations.

The Act would create a nine-member commission nominated by the President and the Congressional leadership. Federal agencies would be required to submit to the Commission, at the time of the Administration's next budget, a list of subsidies and tax advantages that it believes are inequitable.

The Commission will provide recommendations to either terminate or reduce the corporate subsidies. The President has the authority under the Act to either terminate the process, or submit the Commission's recommendations to the Congress as a legislative initiative.

The Congress would then have four months to review the Commission's recommendations which have been endorsed by the President. At that time, the actions of all involved committees in each respective body would be sent to the floor for debate, under expedited procedures.

Many federal subsidies and special-interest tax breaks for corporations are unnecessary, and do not provide a fair return to the taxpayers who bear the heavy burden of their cost. If a corporation is receiving taxpayer-funded subsidies or tax breaks that are unsupported by a compelling benefit to the public, the subsidy should be ended.

Our nation is now facing the heavy burden of its debt—somewhere in the range of $19,000 each—not due to any profligate spending of their own, but because of the inequitable tax subsidies without resorting to a process to identify corporate pork. Then, each respective body could engage in a full and thorough debate on the merits of each subsidy, and vote on their termination or modification. However, I regret that approach is unlikely to occur, because of the difficulty in resisting the requests of the special interests. The bill I am introducing today represents a practical approach to establishing not only a credible process to identify corporate pork, but to then take the important next step of achieving real reductions on behalf of over-taxed constituents.

I look forward to this bill being brought before the Senate Governmental Affairs Committee early next year. To ensure that the Senate Committee on Finance has an opportunity to evaluate any tax policy modifications contained in this Act, I have agreed to a sequential referral consent request with the leadership of those two committees. I am hopeful that this bill represents the beginning of a serious and productive process to alleviate the public burden of unnecessary corporate subsidies and tax breaks.

By Mr. DOMENICI:
S. 1978. A bill to direct the Secretary of Veterans Affairs to establish a national cemetery for veterans in the Albuquerque, New Mexico metropolitan area; to the Committee on Veterans' Affairs.

ALBUQUERQUE NATIONAL CEMETERY LEGISLATION

Mr. DOMENICI. Mr. President, it is with great pleasure and honor that I rise today to introduce a bill to create a National Veterans Cemetery in Albuquerque, New Mexico.

The men and women who have served in the United States Armed Forces have made immeasurable sacrifices for the principles of freedom and liberty that make this Nation unique throughout civilization. The service of veterans has been vital to the history of the Nation, and the sacrifices made by veterans and their families should not be forgotten.

These veterans at the very least deserve every opportunity to be buried at a National Cemetery with their fellow comrades. However, the Santa Fe National Cemetery which serves the northern two-thirds of New Mexico, is rapidly approaching maximum capacity.

Unfortunately, even though the Senate has already passed my legislation to extend the useful life of the Santa Fe National Cemetery by authorizing the use of flat grave markers the life of the Cemetery will only be extended to 2008. Consequently, I would submit that it is not too soon to be planning for the day when Santa Fe will no longer be available.

Before I continue, I would like to take a moment to talk about the Santa Fe National Cemetery. I believe all New Mexicans can be proud of the Santa Fe National Cemetery that has grown from 39.100 of an acre to its current 77 acres.

The cemetery first opened in 1868 and within several years was designated a National Cemetery in April of 1875. Men and women who have fought in all of nation’s wars hold an honored spot within the hallowed ground of the cemetery.

With that said, I believe now is the right time to begin looking for another suitable site to serve as the last resting place for those New Mexico veterans who gave of themselves to protect the American ideals of liberty and freedom. The need to begin planning becomes even more pressing by virtue of the fact that more than half of New Mexico’s 180,000 veterans live in the Albuquerque/Santa Fe area and interments are expected to peak in 2008.

Consequently, I am introducing legislation today to create a National Veterans Cemetery in Albuquerque, New Mexico to compliment Congresswoman Heather Wilson who offered this far-sighted legislation in the House of Representatives last week with the knowledge that there is only a finite amount of space available over the long term at the existing national cemetery in Santa Fe.

Mr. President, I direct the Secretary of Veterans Affairs to establish a national cemetery in the Albuquerque metropolitan area and to submit a report to Congress setting forth a schedule for establishing the cemetery.

Mr. President, in conclusion I ask unanimous consent that a copy of the bill be printed in the RECORD.

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

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

SECTION 1. ESTABLISHMENT OF NATIONAL CEMETERY.

(a) IN GENERAL.—The Secretary of Veterans Affairs shall establish, in accordance with chapter 124 of title 38, United States Code, a national cemetery in the Albuquerque, New Mexico, metropolitan area to serve the needs of veterans and their families.

(b) REPORT.—As soon as practicable after the date of the enactment of this Act, the Secretary shall submit to Congress a report that sets forth a schedule for the establishment of the national cemetery under subsection (a) and an estimate of the costs associated with the establishment of the national cemetery.

By Mr. CONRAD (for himself and Mr. MOYNIHAN):

S. 1979. A bill to amend the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 to provide that restrictions on application of State laws to pension benefits shall not apply to State laws prohibiting individuals from benefitting from crimes involving the death of pension plan participants; to the Committee on Finance.

THE SLAYER STATUTE ACT

Mr. CONRAD. Mr. President, I rise to address an oversight in the Employment Retirement Income Security Act (ERISA) brought to my attention by a constituent of mine in Grand Forks, North Dakota.

On October 14, 1997, Betty Rambel disappeared. Two days later, the burnt-out shell of her car was found. Inside the trunk was an unrecognizable body. On October 24, 1997, using dental records, the body was identified as Betty. That day, her husband, Steve, was arrested for her murder.

Steve Rambel’s trial took place in November of 1998, roughly a year ago. After a week-long trial the jury found him guilty of murder in the second degree, assault with a deadly weapon, and arson. Steve was sentenced to life in prison on March 5, 1999.

Even once is too often, yet this sort of situation occurs more frequently than people are killed by people they trust. We read the headlines, are bombarded with the lurid details, and our thoughts move to other matters when the killer is convicted and sentenced. However, for the other victims of these crimes—the family and friends of the victim—the nightmare may drag on.

With her sister gone and her brother-in-law in jail, Phyllis Marden assumed responsibility for the care of her minor niece and nephew. In the midst of setting her deceased sister’s estate, Phyllis was notified that she was named as the second beneficiary to Betty’s pension benefits. When coming to agreement with her sister’s employer on the award of benefits, Ms. Marden was upset to think that, although Betty was prohibited by state law, under ERISA her sister’s killer can lay future claim to her pension benefits. Justifiably disturbed by this oversight in federal law, Phyllis contacted me.

ERISA preempts state laws that govern the award of pension benefits, even clear-cut rulings like those made against Steven Ramble. To correct this situation and others like it, we have drafted a bill which would waive the ERISA preemption in cases where a state’s “slayer statute” applies to the application of benefits. This bill simply provides that individuals will not have access to ERISA benefits as a result of crimes they commit causing the death of pension plan participants. While many insurance plans already have language to this effect, ERISA does not. The aim of the bill is to codify the direction of the court in recent decisions on this issue and the Internal Revenue Service decision made on this matter in February 24, 1999, private letter ruling.

While no one thinks that killers should benefit from crimes they commit under pension plans, some suggest that waiving the ERISA preemption in these cases might start us down a “slippery slope,” where we begin waiving the ERISA preemption to support and enforce social policy. They would prefer to deal with these matters on a case-by-case basis. I understand this line of reasoning; however, I strenuously disagree. I side with the Phyllis Mardens of America.

Individuals subjected to these tragic, uncommon circumstances have been through enough both emotionally and financially; they should not be responsible for added legal costs on a clear-cut issue. At a time like this, they should not be expected to realize that they need a lawyer familiar with the intricacies of ERISA.

I have alluded to the fact that not all lawyers are familiar with the available legal remedies to these problems; ERISA is notoriously complex. A bright line should be drawn that—without affecting the ERISA preemption on the whole—allows survivors of this specific sort of crime relief from further
emotional and financial hardship at the hands of the perpetrator. I feel that this bill makes that sort of clear distinction.

A day does not pass that Betty is not on Phyllis’s mind. Phyllis understands that this bill will not affect her situation—she is already paying her legal bills. However, she knows that someone else will have to go through the legal process she has been through. This bill will remove an obstacle from their path and get them on their way home.

By Mr. BAUCUS (for himself, Mr. HARKIN, Mr. DARLING, Mr. LEAHY, Mr. WYDEN, and Mrs. MURRAY): S. 1980. A bill to amend the Rural Electrification Act of 1936 to ensure improved access to the signals of local television stations by multichannel video providers to all households which desire such service in unserved and underserved rural areas by December 31, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

21ST CENTURY RURAL UTILITY SERVICE RURAL DEVELOPMENT ENHANCEMENT THROUGH LOCAL INFORMATION ACT

Mr. BAUCUS, Mr. President, along with Senators HARKIN, DARLING, KERRY, DURBIN, JOHNSTON, WELSTONE, CONRAD, ROCKEFELLER, BRYAN, REID, LEAHY, WYDEN, and MURRAY, I am pleased to introduce a bill today on behalf of our country’s rural satellite consumers. This is a bill to amend the Rural Electrification Act of 1936, appropriately entitled, “the 21st Century Rural Utility Service Rural Development Enhancement Through Local Information Act.”

We all know that modern technology has made it possible to broadcast TV programming directly from satellites. Nationwide, over 11 million households subscribe to satellite TV, and that number increases by over 2 million households a year.

Rural areas have come to depend on the network coverage that satellites provide. In Montana, where over 35 percent of homes depend on satellite broadcasting for their TV reception, this development has been a real boon. While satellite broadcasting has improved the quality of life for folks in rural America, it hasn’t been perfect. Satellite systems haven’t been able to carry local broadcast stations. So local viewers haven’t always been able to get local broadcasting.

And this is not just a problem for satellite subscribers. It’s a problem for the local TV broadcasters and for the fabric of local communities. Local broadcasters play a key role in our communities.

They provide local news, local weather, and public service programs. Viewers depend on these broadcasts to find out about what’s going on in their community. When the school board, PTA, and444 and even small town Americans who depend on satellite for their TV reception, is a problem for those folks up in 2 Dot that simply want to watch local news. This is our chance to expand rural access so that no matter how large or small your town is, you’re going to be able to enjoy the benefits of Satellite TV.

This bill includes a loan guarantee that will make it possible for all local stations to be broadcast on satellite. Notice that this is not limited to the very largest cities and towns. Without this, the other local into local provisions of the Satellite Home Viewer Act are an empty promise to the rural and small town Americans who depend on satellite for their TV reception.

Mr. President, I look forward to holding hearings on this bill during our adjournment and coming back to see a swift resolution to this issue in January. It is time, no, it’s overdue, for us to act on this important issue.

By Mr. KENNEDY: S. 1981. A bill to amend title XI of the Public Health Service Act to provide the uses of new genetic technologies to meet the health care needs of the public; to the Committee on Health, Education, Labor, and Pensions.

GENETICS AND PUBLIC HEALTH SERVICES ACT

Mr. KENNEDY. Mr. President, advances in biomedical science and technology of this century have given us many tools to improve our understanding of the causes of disease, and to develop better strategies to prevent and treat human illness. The recent explosion of knowledge in genetics offers us the newest and most powerful weapons in the war against disease and suffering.

The legislation I am introducing, the Genetics and Public Health Services Act, will increase the federal, state and local public health resources needed to translate genetic information and technology into strategies to improve public health.

Our national investment in science, and in particular in the National Institutes of Health, is reaping important dividends for the entire country. As a result of the Human Genome Project and other public and private sector research, we soon may have access to the entire human genetic code. From work accomplished so far, scientists have begun to develop a greater understanding of how genes contribute to the development of common diseases, such as cancer, diabetes, hypertension, depression, heart disease and many other illnesses. Genetic information and technology have enormous potential for improving our efforts to promote health and combat disease.

Based on current understanding of genes and human disease, we know that at least 65 percent of Americans have or will have a health problem for which there is a clear genetic contribution. Some have rare, but serious, conditions—such as cystic fibrosis, sickle cell disease or phenylketonuria. Many more have common disorders—asthma, diabetes, cancer, heart disease, stroke and depression—in which genetic predisposition plays an important role.

Genetic information can help us to understand and identify those at risk
for serious diseases and conditions, and help doctors monitor their health in order to diagnose and treat the diseases before they cause irreversible injury or death.

Advancing our understanding of genetics will revolutionize the treatment of disease. For example, understanding the genetic factors that contribute to Alzheimer’s disease will help us to understand why some patients seem to respond to a new treatment, while others do not. Genetic information may soon be able to predict the types of individuals who have intolerable side effects from certain therapies. Doctors will be able to use genetic information to choose safer and more effective treatments that are tailored to each individual.

Medical scientists are now beginning to think about new genetic information to prevent illness, too. Understanding how genes contribute to the development of disease will give us new ways to intervene before disease develops. We will be able to use new therapies to prevent or treat disease and manage other conditions that cause disability and premature death.

We have an unprecedented opportunity to use the expanding knowledge in genetics to improve health care. Scientific discoveries based on genetic information will change the face of health care in the future. But we lack the resources and systems needed today to translate that information into effective steps to diagnose, treat, and ultimately prevent disease.

In order to realize the potential benefits of genetic information and technology, we must invest the resources needed to translate this knowledge into practical approaches to health care. We want to do this quickly, to keep pace with the explosion of knowledge that is coming from public and private sector scientists.

This legislation accomplishes these goals by creating two new grant programs in the Department of Health and Human Services. The first provides grants to states to develop and maintain ways to safely and effectively use genetic information in their state and local public health programs. The second grant program focuses on the translation and incorporation of genetic information and technologies to practical public health strategies that can be used in public and private health care.

The grant program for states will support methods to incorporate genetics at every level of state and local public health systems. Each state and territory has a unique population and a unique public health program. This proposal provides states with the support and flexibility to design approaches tailored to their specific needs and existing resources. States may use funds to establish and maintain essential resources, such as information systems, service programs, and other fundamental elements. States will be required to monitor, evaluate, and report on the impact of programs and activities under the Act.

Responsible use of genetic information must be based on scientific data. The second grant program created by this legislation addresses the need for ongoing development and evaluation of public health strategies that use genetic information and technology. The bill creates a demonstration program for public and private non-profit organizations to test innovative approaches for using genetic information to improve people’s health, and to evaluate the suitability of such approaches for incorporation into state and local public health programs.

Broad input from all parties is a key ingredient for successful and safe use of genetic information to improve public health. Individuals must not be coerced to participate in genetic testing. It is important to involve the public in local, state and federal decisions about how to use genetic information in developing the policies that govern the use of genetic information and technology. The bill creates an advisory committee to assist the Secretary of Health and Human Services to test innovative approaches for using genetic information and technology. The bill creates a demonstration program for public and private non-profit organizations to test innovative approaches for using genetic information to improve people’s health, and to evaluate the suitability of such approaches for incorporation into state and local public health programs.

Evidence suggests that many people are afraid to take advantage of available genetic tests because they fear discrimination in the workplace or in the health insurance market. Until we pass legislation to stop such discrimination, those fears are grounded in reality. We know that steps can be taken to protect the confidentiality of genetic information and to better educate the public about the issues surrounding genetic testing. This legislation requires each state to show how it plans to involve the public in the design and implementation of its program. The legislation also establishes a federal advisory committee to assist the Secretary of Health and Human Services in the administration and oversight of programs under this Act.

Public participation is essential. Our system has failed if we offer population-wide testing for predisposition to stroke, but fail to educate individuals who must decide whether to be tested. Our system has failed if we implement population-wide testing for predisposition to breast cancer, but fail to provide access to the care that is needed to reduce the risk of developing disease.

Effective integration of genetics into public health systems must build on current efforts of the private and the public sector, including the work of many federal agencies. These include the achievements of the Human Genome Project at the National Institutes of Health, the Food and Drug Administration’s oversight of certain aspects of genetic testing, the ongoing work of the Secretary’s Advisory Committee on Genetics, Health and Society, and the contributions of the project on the Ethical, Legal and Social Implications of the Human Genome Project at the Department of Energy. Our new Federal commitment to safe and effective use of new genetic information and technology in the public health system will also draw upon the expertise of the Health Resources and Services Administration. Translating genetic information and technology into practice will benefit as well from the expertise of the Centers for Disease Control and Prevention in disease surveillance and in developing and testing new public health strategies.

This legislation emphasizes the need to educate both health care providers and the general public. It also provides the structure and resources to include genetics in all aspects of public health—from the development of policy to the delivery of services. We must ensure that our entire public health system is ready and able to respond to the challenge of using genetic information for improving health.

The Genetics and Public Health Services Act is supported by leading public health and genetics organizations, including the American Public Health Association, the American College of Medical Genetics, the National Society of Genetic Counselors, and the American Society of Human Genetics. The Alliance of Genetic Support Groups—representing those who live with genetic disorders and their families—has written eloquently about the need to improve the resources dedicated to integrating genetics into public health. I am confident this support will grow in the coming months.

Genetics research has brought us to an era of limitless possibility. The 21st century will be the century of life sciences. I hope my colleagues will join me in this effort to take advantage of this unprecedented opportunity to improve America’s health. I ask unanimous consent that a summary of the bill and letters of support be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

The Genetics and Public Health Services Act

Amends the Public Health Service Act to (1) establish, expand and maintain resources and expertise needed for safe and effective use of genetic information and technology in state and local public health programs and (2) support essential applied research and systems development to translate new and emerging genetic information into practical public health strategies.

Block grants, applied research and demonstration projects

Creates a new federal-state matching block grant program (1) to develop systems that promote access to quality genetic services regardless of race, ethnicity, and ability to pay; (2) establish, maintain, or supervise programs to reduce the mortality and morbidity for inheritable disorders in the population of the state; (3) identify and develop a network of experts within state and county health agencies to assess the need for and assure the referral to or provision of quality genetic services; (4) promote understanding among
the public and health care professionals of genetic services; (b) provide a mechanism for public input on state-designed genetic policies and programs.

Establishes new authority to develop and evaluate strategies to use emerging genetic information and technology to improve the public health.

**Application requirements and procedures**

Block grants: In general, individual states will apply for and receive the block grants; however, two or more states may submit a joint multi-state application.

**Applied research/demonstration projects**

Eligible entities are states and public or private nonprofit organizations, which may partner with other entities in the private sector.

**Establishes an advisory committee**

Members include representatives from other appropriate federal agencies, the clinical genetics community, research community, private sector, the public, and state health agencies. The Committee shall (1) assist the Secretary in the implementation of the Act; (2) coordinate activities of participating agencies and (3) maintain involvement of the broader health community in the development and oversight of related Public Health and Medicare programs.

**Authorization and allocations**

Authorizes $100,000,000 for each of fiscal years 2000 through 2009. Seventy percent is dedicated to state block grant programs, evaluation activities and the Advisory Committee. Thirty percent of the total allocation is set aside for funding demonstration projects. States are eligible for a minimum of up to $400,000 annually from the block grant; the amount is determined by a formula based upon population. Funds may be expended for two fiscal years after initial award; unspent funds may be reallocated. States must provide $2 for every $3 federal dollars.

**Reports**

States report annually to HHS on the activities supported by the block grant. HHS and CMS are required to report to the Advisory Committee on activities supported by the Act; this report is transmitted by the Advisory Committee with comments to the Secretary and to Congress.

**American Public Health Association**


Hon. Edward M. Kennedy, U.S. Senate, Washington, DC.

**Dear Senator Kennedy:** The American Public Health Association (APHA), representing over 50,000 public health professionals dedicated to advancing the nation’s health is pleased with your introduction of the Genetics and Public Health Services Act. This legislation would amend the Public Health Service Act to expand public health resources needed to translate genetic information and technology into practical strategies to improve the public health. APHA strongly supports the safe and effective integration of genetic information and technology into clinical practice.

Specifically, the legislation would provide funding to states to develop and maintain resources needed to use genetic information and technology to improve the health of public health systems. The bill would support the development of expertise within state and county health agencies to evaluate the potential impact of genetic strategies based on genetic information, to assess the need for genetic services, to provide expert input for policy development, and to assure appropriate referral to or provision of quality genetic services regardless of race, ethnicity or ability to pay.

APHA looks forward to working with you in moving this important legislation forward toward leadership on this important public health matter.

Sincerely,

Mohammad N. Akker, Executive Director.

**Alliance of Genetic Support Groups**

Washington, DC, November 19, 1999.

Senator Edward Kennedy, U.S. Senate, Washington, DC.

**Dear Senator Kennedy:** On behalf of the members of the Alliance of Genetic Support Groups, I am writing to express our strong interest in increasing resources for the necessary expansion of genetic services within state, federal and local public health systems.

The Alliance of Genetic Support Groups is a national coalition of genetic support groups and professional organizations representing over 50,000 public health professionals and individuals with genetic conditions and professional organizations, the Alliance acts on behalf of over three million individuals and families.

We know, through our membership network and callers to our Genetics Helpline, that resources are desperately needed to address the disparities across the state and federal public health systems.

We want to emphasize that genetics, from a public health perspective, is much more than simply genetic testing. Vastly increased resources are needed to prepare public health systems to deliver comprehensive and quality genetic services. We need to train public health professionals, educate the public, create family-centered policies and develop a comprehensive care system that links people to all the services they need—before, after and as a result of genetic testing.

We applaud your commitment to address these concerns, as well as others close to our members’ hearts, about genetic discrimination, privacy and access to quality health care. The Alliance of Genetic Support Groups deeply appreciates all that you have done and are continuing to do to ensure the translation of genetic knowledge into improved public health.

Sincerely,

Mary E. Davidson, Executive Director.

**American College of Medical Genetics**


Senator Edward M. Kennedy, U.S. Senate, Washington, DC.

**Dear Senator Kennedy:** The National Society of Genetic Counselors (NSGC) is pleased to write this letter of support for a bill that will help us enter the next century by making every American citizen a potential beneficiary of medical genetic services. Thus the tools to prevent and to effectively treat diabetes, cancer, hypertension, heart disease, Alzheimer’s, asthma, and so many other diseases, will depend not only on knowledge and technology, but also on a systematic integration of these into our health care system at all levels.

The bill you have introduced (Genetic and Public Health Services Act) provides the resources and organization that can unite the expertise of geneticists and public health officials and help us enter the next century with tools to dramatically improve the public health.

Sincerely,

R. Rodney Howell, President.

**National Society of Genetic Counselors**

Washington, DC, November 19, 1999.

Hon. Edward M. Kennedy, U.S. Senate, Washington, DC.

**Dear Senator Kennedy:** The National Society of Genetic Counselors (NSGC) is pleased to write this letter of support for a bill that will help us enter the next century by making every American citizen a potential beneficiary of medical genetic services. Thus the tools to prevent and to effectively treat diabetes, cancer, hypertension, heart disease, Alzheimer’s, asthma, and so many other diseases, will depend not only on knowledge and technology, but also on a systematic integration of these into our health care system at all levels.

The bill you have introduced (Genetic and Public Health Services Act) provides the resources and organization that can unite the expertise of geneticists and public health officials and help us enter the next century with tools to dramatically improve the public health.

Sincerely,

Mary E. Davidson, Executive Director.

**American College of Medical Genetics**

Baltimore, MD, November 19, 1999.

Hon. Edward M. Kennedy, U.S. Senate, Washington, DC.

**Dear Senator Kennedy:** As President of the American College of Medical Genetics (ACMG), I am writing to express our deep appreciation and support for your efforts to address the need for more extensive resources and services for public health genetics at the state and federal levels.

The ACMG is a professional organization representing certified clinical and laboratory geneticists. We are the newest specialty to be recognized by the American Board of Medical Specialties, and we have been honored to serve as a response of Delegates of the American Medical Association.

As I recently testified before the Secretary’s Advisory Committee on Genetic Testing, knowledge of genetics has expanded rapidly over the past few years, and international investment in the Human Genome Project. However, little attention has been paid to the crucial issue of integrating it into health care delivery. Medical geneticists are uniquely aware of the need for a thoughtful and organized approach to the translation of achievements in research so that all physicians can more effectively address the problems of individuals who suffer from or have a predisposition toward diseases caused by genetic defects. It is increasingly clear that virtually every common (or rare) disease has a genetic component, thereby making every American citizen a potential beneficiary of medical genetic services. Thus the tools to prevent and to effectively treat diabetes, cancer, hypertension, heart disease, Alzheimer’s, asthma, and so many other diseases, will depend not only on knowledge and technology, but also on a systematic integration of these into our health care system at all levels.

The bill you have introduced (Genetic and Public Health Services Act) provides the resources and organization that can unite the expertise of geneticists and public health officials and help us enter the next century with tools to dramatically improve the public health.

Sincerely,

R. Rodney Howell, President.
burden associated with genetic conditions and improve treatment.

We would like to express our appreciation for your past efforts on healthcare issues, particularly your efforts with the Kennedy-Kassebaum bill to address the risk of genetic discrimination. With the introduction of "The Genetics and Public Health Services Act," you demonstrate foresight in anticipating and addressing genetic issues, once again showing your commitment to quality healthcare for all of us.

Sincerely,

WENDY R. UHLMANN, President.


DEAR SENATOR KENNEDY: As President of the American Society of Human Genetics (ASHG), I am writing to express our deep appreciation and support for your efforts to address the need for more extensive resources and services for public health genetics at the state and local levels.

The ASHG is a professional organization representing a wide spectrum of human genetics professionals including clinical and laboratory geneticists, genetic counselors, nurses and others interested in the many phases of human genetics studies. As was recently stated before the Secretary's Advisory Committee on Genetic Testing, knowledge of genetics has expanded rapidly thanks to the enormous international investment in the Human Genome Project. However, little attention has been paid to the crucial issue of integrating this knowledge into health care delivery. Medical geneticists are uniquely aware of the need for a thoughtful and organized approach to the translation of achievements in research, so that all physicians can more effectively address the problems of individuals who suffer from or have a predisposition to diseases caused by genetic defects. It is increasingly clear that genetic factors are important for virtually all common medical conditions that affect large segments of the population. Thus, the capability to prevent and effectively treat diabetes, cancer, hypertension, heart disease, cystic fibrosis, asthma, and many others, will depend not only on expanding knowledge and technology, but also on a systematic integration of these advances into our health care system at all levels.

The bill you have introduced (Genetic and Public Health Services Act) provides the resources and organization that can unite the expertise of geneticists and public health officials and provide the means to dramatically improve the health of the people by the provision of quality genetic services.

Sincerely,

UTA FRANCKE, President.

By Mrs. MURRAY (for herself, Mr. CRAIG, Mr. SMITH of Oregon, BOXER, and FEINSTEIN) to introduce the Agricultural Market Access and Development Act of 1999.

Mr. President, farmers and ranchers in our nation are hurting. Rural communities in my home state of Washington have been severely impacted by the current crisis in agriculture. The causes are complex and diverse, and have been discussed at great length on the floor of the United States Senate. Low prices, the loss of markets in Asia, foreign trade barriers, dumping, and industry concentration are just a few of the difficulties farmers and ranchers, the Administration, and Members of Congress are struggling to overcome.

I am pleased Congress acted to provide emergency assistance as part of the fiscal year 2000 agriculture appropriations act. However, while this package was desperately needed, it left many of our so-called "minor crop" producers across the country. It failed to reform our nation's ploy on unilateral sanctions. And it didn't compel us to dedicate time to really resolve long-term issues that will part Americans and agriculture on a more solid foundation.

One long-term issue that deserves attention is federal support for market access and development.

Today, I am introducing the Agricultural Market Access and Development Act to ensure our producers have the resources they need to expand their overseas markets. My bill would authorize the Secretary of Agriculture to spend up to $200 million—but not less than the current $50 million—for the Market Access Program. And it would set a floor of $35 million for spending on the foreign Market Development "Cooperator" Program.

While many Members of Congress and I produce the country's top-producing states, I produce our state is one of the few federal programs that benefit fruit and vegetable growers. In fact, it is one of the few federal programs that benefit fruit and vegetable growers. In fact, it is one of the few federal programs that benefit fruit and vegetable growers. In fact, it is one of the few federal programs that benefit fruit and vegetable growers. In fact, it is one of the few federal programs that benefit fruit and vegetable growers. It seeks to increase funding for the Market Access Program, which is popular among fruit and vegetable growers. However, my bill is not just intended to help fruit and vegetable producers. It also encourages transferring unused trade dollars to the Foreign Market
Development Program, which is used by program commodities. Both MAP and FMD represent the kind of programs that benefit large corporations. Congress reformed MAP—known before the 1996 farm bill as the Market Promotion Program—in 1996 to ensure that large corporations with no connections to producers could not access MAP funds. I strongly supported that change.

The new law did allow for the program's continued use by farmers' cooperatives, some of which are major industry players. However, it is clear to me, and to others who follow the farm economy, that encouraging the development of farmers' cooperatives is one of the few bright spots in our efforts to keep family farms on the land. Therefore, while opponents will continue to point to the examples of entities they believe in no way should be involved in the program, I believe my colleagues should keep the broader picture in mind. MAP deserves our support.

Next year, Congress should address long-term agricultural issues. And one of those issues should be the transfer of unused Export Enhancement Program funds to market access and development programs. I urge my colleagues to join me in this effort.

Mr. President, 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. 1985
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 “Agricultural Market Access and Development Act of 1999”.

SEC. 2. MARKET ACCESS PROGRAM.
Section 212(c)(1) of the Agricultural Trade Act of 1976 (7 U.S.C. 5641(c)(1)) is amended by striking “and not more than $90,000,000 for each of fiscal years 1996 through 1998” and inserting “not more than $90,000,000 for each of fiscal years 1996 through 2002”.

SEC. 3. USE OF EXPORT ENHANCEMENT PROGRAM FUNDS FOR MARKET ACCESS OR DEVELOPMENT PROGRAMS.
Section 301(e) of the Agricultural Trade Act of 1976 (7 U.S.C. 5651) is amended by adding at the end of the following:

“(3) USE OF EXPORT ENHANCEMENT PROGRAM FUNDS FOR MARKET ACCESS OR DEVELOPMENT PROGRAMS.
“(A) LESS THAN 20 PERCENT USE.—If on July 1 of a fiscal year less than 20 percent of the maximum amount of funds authorized to carry out the program established under this section have been expended during that fiscal year to carry out the program established under this section, the Commodity Credit Corporation may use not more than 50 percent of the unexpended amount to carry out market access and development programs of the Commodity Credit Corporation during that fiscal year.

“(B) LESS THAN 50 PERCENT USE.—If on July 1 of a fiscal year less than 50 percent, but more than 20 percent, of the maximum amount of funds authorized to carry out the program established under this section have been expended during that fiscal year to carry out the program established under this section, the Commodity Credit Corporation may use not more than 50 percent of the unexpended amount to carry out market access and development programs of the Commodity Credit Corporation during that fiscal year.”

SEC. 4. FOREIGN MARKET DEVELOPMENT COOP- ERATOR PROGRAM.
Section 703 of the Agricultural Trade Act of 1976 (7 U.S.C. 5723) is amended to read as follows:

“SEC. 703. FUNDING.
“The Secretary shall use to carry out this title for each of fiscal years 1996 through 2002 $35,000,000 of the funds of the Commodity Credit Corporation.”

Mr. SMITH of Oregon. Mr. President, I rise before the Senate today to express my support for legislation, introduced by Senator MURRAY and others, that would allow the U.S. Department of Agriculture to allocate to the Market Access Program unused Export Enhancement Program funds.

I have long been a supporter of the Market Access Program, which was designed to promote American agricultural products in foreign markets. Since its inception, it has proven to be a model program and has successfully fostered the growth of American agriculture producers through the expansion of exports. For smaller states like Oregon, the Market Access Program has played a critical role in getting the word out on an array of agricultural goods that otherwise have difficulty penetrating overseas markets. Many Oregon commodities, such as grass seed, tree fruits, and potatoes have benefitted greatly in recent years from the Market Access Program funding. For example, last year the Market Access Program enabled a delegation of Oregon grass seed growers to travel to China to meet with government officials interested in finding quality grass seed to stabilize river banks near the Three Gorges Dam project on the Yangtze River. There are numerous other examples where Oregon commodities have been able to make good use of these federal dollars.

Despite the achievements of the Market Access Program in recent years, funding for the program has been capped at $90 million. I am pleased today to cosponsor this bill which authorizes the Secretary of Agriculture to increase the Market Access Program funding up to a total of $200 million using unapportioned Export Enhancement Program funds.

This proposal has widespread support in my state from farmers and the agricultural groups that represent them, they recognize, as I do, that expanding markets overseas will be key to restoring the farm economy.

Mr. President, I am hopeful that the Senate will take up this issue early in the next session. I urge my colleagues to join in support of this legislation to enhance American agricultural export efforts and the family farms that depend upon them.

By Mr. TORRICELLI:
S. 1985. A bill to amend the Internal Revenue Code of 1986 to lower the adjusted gross income threshold for deductible disaster casualty losses to 5 percent, to make such deduction an above-the-line deduction, and to allow an election to take such deduction for the preceding or succeeding year; to the Committee on Finance.

Mr. TORRICELLI. Mr. President, I rise today to introduce the Disaster Victims Tax Relief Act. This legislation will help mitigate the losses that hundreds of thousands of Americans incur each year as a result of natural disasters and helps clear the path towards full recovery.

My home state of New Jersey is not known as a place which suffers tropical storms or hurricanes with great frequency. However, this past September, many of my constituent witnessed nature's fury first hand. Hurricane Floyd, the one of the largest storms in recent history, battered much of New Jersey, along with the several other Eastern states, with winds in excess of 140 miles per hour and flash downpours which caused extensive flooding. To date, the flooding caused by this disaster has inflicted more than $500 million in damages in New Jersey alone, and it is estimated that this figure may exceed more than $1 billion when final costs are calculated. In terms of economic damages, New Jersey was the second most heavily damaged state as a result of Floyd.

Natural disasters, such as the one we recently witnessed, too often cause people to lose their homes and the businesses that were made successful through a lifetime of hard work. This pain is exacerbated by the fact that they are still required to meet a heavy tax burden for that year. It is unreasonable to expect these unfortunate Americans to meet their full tax responsibilities after suffering a catastrophic disaster such as a hurricane such as a hurricane or flood. While our current tax code includes a provision that addresses this situation, qualification requirements ensure that the overwhelming majority of victims cannot utilize the provision to their benefit.

Under current law, an individual may deduct uninsured damages or “casualty losses” incurred from a natural disaster so long as those losses exceed 10 percent of their adjusted gross income (AGI). Unfortunately, many victims of November 19, 1999  CONGRESSIONAL RECORD—SENATE 31089
disasters have found that this threshold is too high for them to qualify. Comprehending this situation is the fact that only 25 percent of taxpayers who itemize their deductions are effectively eligible to claim their disaster losses as a deduction. This is troubling because 75 percent of taxpayers who do not itemize, comprised mostly of lower and middle class families who need this benefit most, cannot participate.

The bill I introduce today is straight forward. First it would reduce the current AGI threshold from 10 percent to 5 percent. Second, it would make the deductions available an “above the line” deduction. These two provisions would enable the majority of American taxpayers, who do not itemize their returns, to benefit. Third, my bill would institute a 2-year “carry back or forward” provision which would allow people who incur casualty losses to claim the deductions on either the previous year’s return, or they can defer and claim the losses either the following year or the year after. Finally this bill is narrowly tailored to provide relief to those people who need it most; those who live in a federally declared disaster area. This will help avoid abuse of the provision.

Mr. President, people who have emerged from earthquakes, tornadoes, hurricanes and floods are confronted with the daunting task of rebuilding their lives in the face of overwhelming economic loss and the emotional trauma of losing everything they own. Their tax burden should not be one of the obstacles that they must overcome in order to embark on the road to recovery. This bill will help ensure that this is not the case. I would urge my colleagues in the Senate to fully support this legislation.

By Mr. DASCHLE (for himself, Mr. HATCH, Mr. BROWNBACK, Mr. HARKIN, Mr. JOHNSON, Mr. DORGAN, Mr. BAUCUS, Mr. CONRAD, Mr. BINGMAN, Mr. VOINOVICH, and Mr. BURNS):

S. 1988. A bill to reform the State inspection of meat and poultry in the United States, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

NEW MARKETS FOR STATE-INSPECTED MEAT ACT OF 1999

Mr. DASCHLE. 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. 1988

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “New Markets for State-Inspected Meat Act of 1999”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

TITLES

Sec. 1. Short title; table of contents.
Sec. 2. Review of State meat and poultry inspection programs.

(1) MEAT INSPECTION

Sec. 101. Federal and State cooperation on meat inspection for intrastate distribution.
Sec. 102. State meat inspection programs.

(2) POULTRY INSPECTION

Sec. 201. Federal and State cooperation on poultry inspection for intrastate distribution.

TITLES I—III

Sec. 301. Regulations.
Sec. 302. Termination of authority to establish interstate inspection programs.

TITLES II; III

Sec. 401. Review of State meat and poultry inspection programs.
Sec. 402. Federal and State cooperation on meat inspection for intrastate distribution.
Sec. 403. State meat inspection programs.

TITLES IV; V

Sec. 501. Termination of authority to establish interstate inspection programs.
Sec. 502. Termination of authority to establish state programs.

(3) EFFECTIVE DATE.—This subsection takes effect on October 1, 2001.

(b) REPEAL:

(1) IN GENERAL.—Title V of the Federal Meat Inspection Act (as amended by subsection (a)(1)) is repealed.

(2) CONFORMING AMENDMENTS.—

(A) Section 7(c) of the Federal Meat Inspection Act (21 U.S.C. 677(c)) is amended by striking “subsection (a)(4)” and inserting “section 413”.

(B) Section 24 of the Federal Meat Inspection Act (21 U.S.C. 646) is amended by striking “subsection (a)(2)(A)” and inserting “section 413”.

(C) Section 265 of the Federal Meat Inspection Act (21 U.S.C. 646) is amended by striking “section 501(a)(4)” and inserting “section 413”.

(3) EFFECTIVE DATE.—As provided in section 302, this subsection takes effect on October 1, 2002.

SEC. 102. STATE MEAT INSPECTION PROGRAMS.

(a) IN GENERAL.—The Federal Meat Inspection Act (as amended by section 101(a)(1)(A)) is amended by inserting after title II (21 U.S.C. 641 et seq.) the following:

TITLES III—STATE MEAT INSPECTION PROGRAMS

SEC. 301. POLICY AND FINDINGS.

“(a) POLICY.—It is the policy of Congress to protect the public from meat and meat food products that are adulterated or misbranded and to assist in efforts by State and other government agencies to accomplish that policy.

(b) FINDINGS.—Congress finds that:

“(1) the goal of a safe and wholesome supply of meat and meat food products throughout the United States would be better served if a consistent set of requirements, established by the Federal Government, were applied to all meat and meat food products, whether produced under State inspection or Federal inspection;

“(2) under such a system, State and Federal meat inspection programs would function together to create a seamless inspection system to ensure food safety and inspire consumer confidence in the food supply in interstate commerce; and

“(3) such a system would ensure the viability of State meat inspection programs, which should help to foster the viability of small establishments.

SEC. 302. APPROVAL OF STATE MEAT INSPECTION PROGRAMS.

“(a) IN GENERAL.—Notwithstanding any other provision of this Act, the Secretary may approve a State meat inspection program and allow the shipment in commerce of carcasses, parts of carcasses, meat, and meat food products inspected under the State meat inspection program in accordance with this title.

“(b) ELIGIBILITY.—

“(1) IN GENERAL.—To receive or maintain approval from the Secretary for a State meat inspection program in accordance with subsection (a), a State shall—

“(A) adopt a State meat inspection program that enforces the mandatory ante-mortem and postmortem inspection, sanitation, and related Federal requirements of titles I, II, and IV (including the regulations issued under those titles); and

“(B) enter into a cooperative agreement with the Secretary in accordance with subsection (c).
(2) ADDITIONAL REQUIREMENTS.—

(A) In addition to the requirements specified in paragraph (1), a State meat inspection program reviewed in accordance with section 2 of the Federal Meat and Poultry Inspection Act and the Secretary's regulations issued under section 190.1 of the Food, Drug, and Cosmetic Act, shall be recognized as meeting all the requirements of subparagraphs (A) through (G) of section 2 of such Act, and Federal inspection is not operating under a State meat inspection program in accordance with such Act.

(B) In carrying out this paragraph, the Secretary shall consider the following:

(1) The Secretary shall have authority—

(a) to detain and seize livestock, carcasses, parts of carcasses, meat, and meat food products under the State meat inspection program;

(b) to obtain access to facilities, records, livestock, carcasses, parts of carcasses, meat, and meat food products under the State meat inspection program;

(c) to inspect transportation facilities, equipment, processes, and activities of any person, firm, or corporation that slaughters, processes, handles, stores, transports, or sells meat or meat food products inspected under the State meat inspection program, to determine compliance with this Act (including the regulations issued under this Act); and

(d) to issue final orders and cease and desist orders in accordance with the Federal Meat and Poultry Inspection Act.

(2) Inspection of Establishments.—Upon the expiration of 30 days after the publication of a determination under subsection (c), an establishment subject to a State meat inspection program with respect to which such determination was made shall implement the cooperative agreement entered into under section 302 of this title, if the Secretary determines that the State will meet the requirements of this Act (including the regulations) and the cooperative agreement with the Secretary.

(3) Labeling Requirements.—The Secretary shall have authority—

(a) to require any person, firm, or corporation that slaughters, processes, handles, stores, transports, or sells meat or meat food products that are ready to eat, that meat or meat food products that are ready to eat, that are in an establishment subject to inspection under the State meat inspection program, shall implement all the requirements specified in subparagraphs (A) through (G) of section 2 of such Act.

(b) to issue final orders and cease and desist orders in accordance with the Federal Meat and Poultry Inspection Act.

(4) Authority of the Secretary.—The Secretary shall have authority—

(a) to require any person, firm, or corporation that slaughters, processes, handles, stores, transports, or sells meat or meat food products that are ready to eat, that meat or meat food products that are ready to eat, that are in an establishment subject to inspection under the State meat inspection program, shall implement all the requirements specified in subparagraphs (A) through (G) of section 2 of such Act.

(b) to issue final orders and cease and desist orders in accordance with the Federal Meat and Poultry Inspection Act.

(5) Federal Inspection Program.—The Secretary shall have authority—

(a) to require any person, firm, or corporation that slaughters, processes, handles, stores, transports, or sells meat or meat food products that are ready to eat, that meat or meat food products that are ready to eat, that are in an establishment subject to inspection under the State meat inspection program, shall implement all the requirements specified in subparagraphs (A) through (G) of section 2 of such Act.

(b) to issue final orders and cease and desist orders in accordance with the Federal Meat and Poultry Inspection Act.

(6) Inspection of Establishments.—Upon the expiration of 30 days after the publication of a determination under subsection (c), an establishment subject to a State meat inspection program with respect to which such determination was made shall implement the cooperative agreement entered into under section 302 of this title, if the Secretary determines that the State will meet the requirements of this Act (including the regulations) and the cooperative agreement with the Secretary.

(7) Labeling Requirements.—The Secretary shall have authority—

(a) to require any person, firm, or corporation that slaughters, processes, handles, stores, transports, or sells meat or meat food products that are ready to eat, that meat or meat food products that are ready to eat, that are in an establishment subject to inspection under the State meat inspection program, shall implement all the requirements specified in subparagraphs (A) through (G) of section 2 of such Act.

(b) to issue final orders and cease and desist orders in accordance with the Federal Meat and Poultry Inspection Act.
and may be subject to the inspection requirements of title I for as long as the Secretary determines to be necessary, if the Secretary determines that the sanitary conditions or practices of the facility or the processing procedures or methods at the facility are such that the term meat or meat food products of the facility are rendered adulterated.

"SEC. 412. ACCEPTANCE OF INTERSTATE SHIPMENTS—MEAT AND MEAT FOOD PRODUCTS.

"Notwithstanding any provision of State law, a State or local government shall not prohibit the movement or sale of meat or meat food products that have been inspected and passed in accordance with this Act for interstate commerce.

"SEC. 413. ADVISORY COMMITTEES FOR FEDERAL AND STATE PROGRAMS.

The Secretary may appoint advisory committees consisting of such representatives of appropriate State agencies as the Secretary and the State agencies may designate to consult with the Secretary concerning State and Federal programs with respect to meat inspection and other matters within the scope of this Act."

(c) EFFECTIVE DATE.—This section takes effect on October 1, 2001.

TITLE II—POULTRY INSPECTION

SEC. 201. FEDERAL AND STATE COOPERATION ON POULTRY INSPECTION FOR INTRASTATE DISTRIBUTION.

(a) REDesignATION.—

(1) IN GENERAL.—Section 5 of the Poultry Products Inspection Act (21 U.S.C. 454) is redesignated as section 34 and moved to the following:

"SEC. 34. FEDERAL AND STATE COOPERATION ON POULTRY INSPECTION FOR INTRASTATE DISTRIBUTION."

(3) CONFORMING AMENDMENTS.—

(A) Section 8(b) of the Poultry Products Inspection Act (21 U.S.C. 457(b)) is redesignated as section 35 and moved to the following:

"TITLE II—POULTRY INSPECTION"

"SEC. 202. STATE POULTRY INSPECTION PROGRAMS.

(a) IN GENERAL.—The Poultry Products Inspection Act (21 U.S.C. 451 et seq.) is amended by redesigning section 202(a)(1) and moving to the following:

"SEC. 5. STATE POULTRY INSPECTION PROGRAMS.

(a) POLICY.—It is the policy of Congress to protect the public from poultry products that are adulterated or misbranded and to ensure that appropriate State and Federal inspection agencies accomplish that policy.

(b) FINDINGS.—Congress finds that—

(1) the goal of a safe and wholesome supply of poultry products throughout the United States is best served if there is a consistent set of requirements, established by the Federal Government, applied to all poultry products, whether produced under State inspection or Federal inspection;

(2) under such a system, State and Federal poultry inspection programs would function together to create a seamless inspection system to ensure food safety and inspire consumer confidence in the food supply in interstate commerce; and

(3) such a system would ensure the viability of State poultry inspection programs, which should help to foster the viability of small official establishments.

(c) APPROVAL OF STATE POULTRY INSPECTION PROGRAMS.—

(1) IN GENERAL.—Notwithstanding any other provision of this Act, the Secretary may approve a State poultry inspection program and allow the shipment in commerce of poultry products inspected under the State poultry inspection program in accordance with this section and section 5A.

(2) ELIGIBILITY.—

(A) IN GENERAL.—To receive or maintain approval from the Secretary for a State poultry inspection program in accordance with paragraph (1), a State shall—

(i) implement a State poultry inspection program that enforces the mandatory ante-mortem and postmortem inspection, re-inspection, sanitation, and related Federal requirements of sections 1 through 6 and through 33 (including the regulations issued under those provisions); and

(ii) enter into a cooperative agreement with the Secretary in accordance with paragraph (3).

(B) ADDITIONAL REQUIREMENTS.—

(i) in general.—In addition to the requirements specified in subparagraph (A), a State poultry inspection program reviewed in accordance with the Federal Meat and Poultry State Inspection Requirements Act of 1999 shall implement, not later than October 1, 2001, and may approve a State poultry inspection program are consistent with this Act (including the regulations issued under this Act).

(ii) to obtain access to facilities, records, and poultry products of any person that slaughters, processes, handles, stores, transports, or sells poultry products inspected under the State poultry inspection program to determine compliance with this Act (including the regulations issued under this Act).

(4) ADDITIONAL REQUIREMENTS.—

(A) IN GENERAL.—A State may impose additional requirements on official establishments under the State poultry inspection program, as approved by the Secretary.

(B) restriction on establishment size.—The Secretary shall authorize a State to establish the maximum size of official establishments that the State will accept into the State poultry inspection program.

(5) reimbursement of state costs.—The Secretary may reimburse the State for not more than 60 percent of the State’s costs of meeting the Federal requirements for the State poultry inspection program.

(6) sampling.—

(A) SALMONELLA SAMPLING AND TESTING.—To the extent that the Secretary requires official establishments to meet microbiological performance standards for Salmonella in official establishments to meet Federal requirements that the State will accept into the State poultry inspection program.

(b) identification of changes necessary to ensure enforcement under the new State poultry inspection program of Federal inspection requirements.

(7) certification requirements.—In addition to the requirements specified in subparagraph (A), to continue to be an approved State poultry inspection program, a new State poultry inspection program shall implement all recommendations from the review conducted in accordance with this clause, in a manner approved by the Secretary.

(3) cooperative agreement.—Notwithstanding chapter 63 of title 31, United States Code, the Secretary may enter into a cooperative agreement with a State that establishes the terms of cooperation between the Secretary and the State poultry inspection program and provides for the following:

(A) PROVISIONS CONSISTENT WITH THIS ACT.—The State will adopt (including adoption by reference) provisions identical to sections 4 through 8 and through 31 (including the regulations issued under those sections).

(B) MARKING OF PRODUCT.—

(i) OFFICIAL MARKS.—State-inspected and passed poultry products will be marked under the supervision of a State inspector with the official mark and be deemed to have been inspected by the Secretary for the purpose of this Act.

(ii) additional marks.—In addition to the official mark, State-inspected and passed poultry products may be marked by the Secretary governing poultry products inspected under the State poultry inspection program.

(C) AUTHORITY OF THE SECRETARY.—The Secretary shall have authority—

(i) to detain and seize poultry products under the State poultry inspection program;

(ii) to obtain access to facilities, records, and poultry products of any person that slaughters, processes, handles, stores, transports, or sells poultry products inspected under the State poultry inspection program to determine compliance with this Act (including the regulations issued under this Act).

(4) additional requirements.—

(A) in general.—A State may impose additional requirements on official establishments under the State poultry inspection program, as approved by the Secretary.

(B) restriction on establishment size.—The Secretary shall authorize a State to establish the maximum size of official establishments that the State will accept into the State poultry inspection program.

(5) reimbursement of state costs.—The Secretary may reimburse the State for not more than 60 percent of the State’s costs of meeting the Federal requirements for the State poultry inspection program.

(6) sampling.—

(A) SALMONELLA SAMPLING AND TESTING.—To the extent that the Secretary requires official establishments to meet microbiological performance standards for Salmonella in official establishments to meet Federal requirements that the State will accept into the State poultry inspection program.

(b) identification of changes necessary to ensure enforcement under the new State poultry inspection program of Federal inspection requirements.

(7) certification requirements.—In addition to the requirements specified in subparagraph (A), to continue to be an approved State poultry inspection program, a new State poultry inspection program shall implement all recommendations from the review conducted in accordance with this clause, in a manner approved by the Secretary.
(a) Authority To Take Over State Poultry Inspection Programs.—

(1) IN GENERAL.—The Secretary shall promptly notify and consult with the Governor of the State that owns or operates the facility. If the Secretary determines that the State will meet the requirements of this Act (including the regulations issued under this Act) or the cooperative agreement with the Secretary, the Secretary may immediately determine that the official establishment is an establishment that shall be inspected by the Secretary. If the Secretary determines that the State will meet the requirements of this Act (including the regulations and the cooperative agreement with respect to the official establishment), the Secretary shall promptly notify and consult with the Governor of the State that owns or operates the facility.

(b) Central Kitchen Facilities.—

(1) IN GENERAL.—For the purposes of this section, operations conducted at a central kitchen facility of a restaurant shall be considered to be conducted at a restaurant.

(2) EXCEPTION.—A facility described in paragraph (1) is not in compliance with this Act (including the regulations issued under this Act) if the central kitchen of the restaurant prepares poultry products that are ready to eat when they leave the facility and are served to customers at retail stores or restaurants owned or operated by the same person that owns or operates the facility.

SEC. 32. ACCEPTANCE OF INTERSTATE SHIPMENTS OF POULTRY PRODUCTS.

Notwithstanding any provision of State law, a State or local government shall not prohibit or restrict the movement of articles of poultry products that have been inspected and passed in accordance with this Act for interstate commerce.

SEC. 33. ADVISORY COMMITTEES FOR FEDERAL AND STATE PROGRAMS.

The Secretary may appoint advisory committees consisting of such representatives of appropriate State agencies as the Secretary and the State agencies may designate to consult with the Secretary concerning State and Federal programs relating to poultry product inspection and other matters within the scope of this Act.

(c) EFFECTIVE DATE.—This section takes effect on the last day of the calendar year following the date of enactment.

TITLE III—GENERAL PROVISIONS

SEC. 301. REGULATIONS.

Not later than October 1, 2001, the Secretary of Agriculture may promulgate such regulations as are necessary to implement the amendments made by sections 102 and 202.

SEC. 302. TERMINATION OF AUTHORITY TO ESTABLISH AN INTERSTATE INSPECTION PROGRAM.

If the Secretary of Agriculture has not approved any State meat inspection program or State poultry inspection program by entering into a cooperative agreement under title III of the Federal Meat Inspection Act and sections 5 and 5A of the Poultry Products Inspection Act (as amended by this Act) by September 30, 2002, sections 101(b), 102, and 202, and the amendments made by those sections, are repealed effective as of that date.
were also charged by the company for their accommodations and fined for small infractions like showing up late to meetings or sleeping on the van. Salespeople were not paid in a timely manner, but their earnings were kept on “paper” and the employees only drew a daily allowance to pay for food. Employees were seldom allowed to see the paper work that tracked their earnings so they had little idea about how much they are entitled. Many found that they were not able to keep up with the sales and fell in debt to the company. After working 12 hours days, six days a week for months, employees actually owed the company money! These young people became indentured servants, working long hours for only up with the sales and fell in debt to the company.

In the twelve years since Senator Roth’s efforts, nothing has changed. These abuses continue, and Congress should act.

In Wisconsin the case the company’s record of disregard for local and state laws was a signal of their disdain for the safety of their workers. This company should not have been allowed to continue to operate with this kind of record. Government needed to step in earlier, before this tragedy occurred, instead of picking up the pieces afterward.

I am not one to frivolously engage in regulating business, but in this case the need for federal involvement is clear. Because of the mobility of these companies, states cannot crack down on these groups alone. They need federal help to eliminate the unscrupulous actors in the industry.

The Traveling Sales Crew Protection Act would take important steps to eliminate employers who abuse their workers. First, it would no longer allow minors to be employed in this line of work. Door to door sales can be dangerous work and combined with the long hours and hazardous travel, creates a job too dangerous for children. Second, the bill would narrow the exemption under the Fair Labor Standards Act for these specific kinds of operations. Covering these employees with minimum wages and overtime requirements protects them from becoming indentured servants to their employers through complex compensation systems. This provision is carefully crafted to cover only traveling sales crews, individuals who sell over the road, or at trade shows would be unaffected. Lastly the bill creates a licensing procedure through the Department of Labor to monitor those engaged in supervising and running these operations.

These measures are important steps forward in a nationwide effort to eliminate this form of abusive form of worker exploitation. I hope I will have my colleagues support as I try to make the painful crash in Janesville, the last chapter in this shameful story.

Mr. President, I ask unanimous consent that the text of my legislation be printed in this manner. There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1989
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 “Traveling Sales Crew Protection Act.”

TITLE I—FAIR LABOR STANDARDS ACT OF 1938

SEC. 101. APPLICATION OF PROVISIONS TO CERTAIN OUTSIDE SALESMEN.
(a) In General.—Section 13 of the Fair Labor Standards Act of 1938 (29 U.S.C. 213) is amended by adding at the end the following:

“(k) For purposes of subsection (a)(1), and notwithstanding any other provision of law, the term ‘outside salesman’ shall not include any individual employed in the position of a salesperson—

(i) who is engaged in the individual travel with a group of salespeople, including a supervisor, team leader or crew leader, and the employees in the group do not return to their permanent residences at the end of the work day;“.

(b) LIMITATION ON CHILD LABOR.—Section 12 of the Fair Labor Standards Act of 1938 (29 U.S.C. 212) is amended by adding at the end the following:

“(e) No individual under 18 years of age may be employed in a position requiring the individual to engaged in door to door sales or in related support work in a manner that requires the individual to remain away from his or her permanent residence for more than 24 hours.”.

(c) RULES AND REGULATIONS.—The Secretary of Labor may issue such rules and regulations as are necessary to carry out the amendments made by this section, consistent with the requirements of chapter 5 of title 5, United States Code.

TITLE II—PROVISIONS OF TRAVELING SALES CREWS

SEC. 201. PURPOSE.
It is the purpose of this title—

(1) to remove the restraints on interstate commerce that serve to perpetuate or encourage unfair and abusive working conditions of traveling sales crew workers;

(2) to require the employers of such workers to register under this Act; and

(3) to assure necessary protections for such employees.

SEC. 202. DEFINITIONS.
In this title:

(1) CERTIFICATE OF REGISTRATION.—The term “Certificate of Registration” means a Certificate issued by the Secretary under section 203(c)(1).

(2) EMPLOY.—The term “employ” has the meaning given such term by section 3(g) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g)).

(3) GOODS.—The term “goods” means wares, products, commodities, merchandise, or articles or subjects of interstate commerce of any character, or any part or ingredient thereof.

(4) PERSON.—The term “person” means any individual, partnership, association, joint stock company, trust, cooperative, or corporation.

(5) SALE, SELL.—The terms “sale” or “sell” include any sale, exchange, contract to sell, consignment for sale, shipment for sale, or other disposition of goods.

(6) SECRETARY.—The term “Secretary” means the Secretary of Labor.

(7) TRAVELING SALES CREW WORKER.—In general.—The term “traveling sales crew worker” is defined in subparagraph (b), the term “traveling sales crew worker” means an individual who—

(i) is employed as a salesperson as defined in subparagraph (i) of section 3(g) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g)), or in related support work; or

(ii) travels with a group of salespersons, including a supervisor; and

(iii) is required to be absent overnight from his or her permanent place of residence.

(B) LIMITATION.—The term “traveling sales crew worker” does not include—

(i) any individual who meets the requirements of subparagraph (B) of section 203(c) if such individual is traveling to a trade show or convention; or

(ii) any immediate family member of a traveling sales crew employer.

SEC. 203. REGISTRATION OF EMPLOYERS AND SUPERVISORS OF TRAVELING SALES CREW WORKERS.

(a) REGISTRATION REQUIREMENT.—

(1) IN GENERAL.—No person shall engage in any form of employment of traveling sales crew workers, unless such person has a certificate of registration from the Secretary.

(2) No person shall employ an individual who is employed as a traveling sales crew employer shall not hire, employ, or use any individual as a supervisor of a traveling sales crew, unless such individual has a certificate of registration from the Secretary.

(b) APPLICATION FOR REGISTRATION.—

(1) REGISTRATION REQUIREMENTS.—Any person desiring to be issued a certificate of registration under this section, and to employ a traveling sales crew employer or traveling sales crew supervisor, shall file with the Secretary a written application that contains the following:

(A) A declaration, subscribed and sworn to by the applicant, stating the applicant’s permanent place of residence, the type or types of businesses to be performed, and such other relevant information as the Secretary may require.

(B) A statement identifying each vehicle to be used to transport any member of any traveling sales crew and, if the vehicle is or will be owned or controlled by the applicant, documentation showing that the applicant is in compliance with the requirements of section 204(d) with respect to each such vehicle.

(c) ISSUANCE OF CERTIFICATE OF REGISTRATION.—

(1) IN GENERAL.—In accordance with regulations, and after any investigation which the Secretary may deem appropriate, the Secretary shall issue a Certificate of Registration, as either a traveling sales crew
employer or traveling sales crew supervisor, to any person who meets the standards for such registration.

(2) REFUSAL TO ISSUE OR RENEW, SUSPENSION AND REVOCATION.—The Secretary may refuse to issue or renew, or may suspend or revoke, a Certificate of Registration for any of the following reasons:

(A) has been refused issuance or renewal of a Certificate;
(B) has had a Certificate suspended or revoked;
(C) does not qualify for a Certificate under this section;

(4) has failed—

(A) to pay any court judgment obtained by the Secretary or any other person under this title or any regulation promulgated under this title; or

(5) has been convicted within the 5 years preceding the date on which the application was filed or the Certificate was issued—

(A) of any crime under Federal or State law relating to the sale, distribution or possession of alcoholic beverages or narcotics, in connection with or incident to any traveling sales crew activities;
(B) of any crime under Federal or State law relating to child abuse, neglect, or endangerment; or
(C) of any felony under Federal or State law involving robbery, bribery, extortion, embezzlement, grand larceny, burglary, arson, murder, rape, assault with intent to kill, assault which inflicts grievous bodily injury, prostitution, peonage, or smuggling or harboring Indians who have entered the United States illegally;

(6) has been found to have violated paragraph (1) or (2) of section 704(a) of the Immigration and Nationality Act (8 U.S.C. 1324a(a)(1) or (2));

(7) has failed to comply with any bonding or security requirements as the Secretary may establish; or

(8) has failed to satisfy any other requirement which the Secretary may by regulation establish.

(d) ADMINISTRATIVE PROCEEDINGS AND JUDICIAL REVIEW.—

(1) IN GENERAL.—A person who is refused the issuance or renewal of a Certificate or Registration, or whose Certificate of Registration is suspended or revoked, shall be afforded an opportunity for an agency hearing, upon a request made within 30 days after the date of issuance of the notice of refusal, suspension, or revocation. If no hearing is requested as provided for in this subsection, the refusal, suspension, or revocation shall constitute a final and unappealable order.

(2) HEARING.—If a hearing is requested under paragraph (1), the initial agency decision shall be made by an administrative law judge, and all proceedings shall be determined on the record pursuant to section 554 of title 5, United States Code, and such decision shall become the final order unless the Secretary modifies or vacates the decision. Notice of intent to modify or vacate the decision of the administrative law judge shall be issued to the parties within 90 days after the decision of the administrative law judge which takes effect under this paragraph shall be subject to review only as provided under paragraph (3).

(3) REVIEW BY COURT.—Any person against whom an order entered after an agency hearing under this subsection may obtain review by the United States district court in any district in which the person is located, or the United States District Court for the District of Columbia, by filing a notice of appeal in such court within 30 days after the order is entered and simultaneously sending a copy of such notice by registered mail to the Secretary. The Secretary shall promptly certify and file in such court the record upon which the agency order was based. The findings of the Secretary shall be set aside only if found to be unsupported by substantial evidence as provided by section 706 of title 5, United States Code. Any final decision, order, or judgment of such District Court concerning such review shall be subject to appeal as provided for in chapter 88 of title 28, United States Code.

(e) TRANSFER OR ASSIGNMENT OF CERTIFICATE; EXPIRATION; RENEWAL.—

(1) LIMITATION.—A Certificate of Registration may not be transferred or assigned.

(2) EXPIRATION AND EXTENSION.—

(A) EXPIRATION.—Unless earlier suspended or revoked, a Certificate of Registration shall expire 12 months from the date of issuance.

(B) EXTENSION.—A Certificate of Registration may be temporarily extended, at the Secretary's discretion, by the filing of an application with the Secretary at least 30 days prior to the Certificate's expiration date.

(3) RENEWAL.—A Certificate of Registration may be renewed through the application process provided for in subsections (b) and (c).

(f) NOTICE OF ADDRESS CHANGE; AMENDMENT OF CERTIFICATE OF REGISTRATION.—

During the period for which a Certificate of Registration is in effect, the traveling sales crew worker or supervisor named on the Certificate shall—

(1) provide to the Secretary within 30 days a notice of each change of permanent place of residence;

(2) apply to the Secretary to amend the Certificate of Registration whenever the person intends to—

(A) engage in any form of traveling sales crew activity not identified on the Certificate;

(B) use or cause to be used any vehicle not covered by the Certificate to transport any traveling sales crew activity not identified on the Certificate;

(C) engage in any form of traveling sales crew activity not identified on the Certificate;

(3) pay on a piecework basis;

(4) and keep, and preserve records for 3 years

(a) with respect to each such worker, make, keep, and preserve records for 3 years of the amount of the wages owed that worker when due. The payment of wages shall be in United States currency or in a negotiable instrument such as a bank check. The payment of wages shall be accompanied by the written disclosure required by subsection (a)(2)(B).

(b) RECORDS AND STATEMENTS.—Each employer of traveling sales crew workers shall—

(1) provide the Secretary within 30 days a notice of each change of permanent place of residence;

(2) apply to the Secretary to amend the Certificate of Registration whenever the person intends to—

(A) engage in any form of traveling sales crew activity not identified on the Certificate;

(B) use or cause to be used any vehicle not covered by the Certificate to transport any traveling sales crew worker; or

(C) pay on a piecework basis;

(3) and keep, and preserve records for 3 years

(a) with respect to each such worker, make, keep, and preserve records for 3 years of the amount of the wages owed that worker when due. The payment of wages shall be in United States currency or in a negotiable instrument such as a bank check. The payment of wages shall be accompanied by the written disclosure required by subsection (a)(2)(B).

(2) R ECORDS AND STATEMENTS.—Each employer of traveling sales crew workers shall—

(1) provide the Secretary within 30 days a notice of each change of permanent place of residence;

(2) apply to the Secretary to amend the Certificate of Registration whenever the person intends to—

(A) engage in any form of traveling sales crew activity not identified on the Certificate;

(B) use or cause to be used any vehicle not covered by the Certificate to transport any traveling sales crew worker; or

(C) pay on a piecework basis;

(3) and keep, and preserve records for 3 years

(a) with respect to each such worker, make, keep, and preserve records for 3 years of the amount of the wages owed that worker when due. The payment of wages shall be in United States currency or in a negotiable instrument such as a bank check. The payment of wages shall be accompanied by the written disclosure required by subsection (a)(2)(B).

(c) COSTS OF GOODS, SERVICES, AND BUSINESS EXPENSES.—

(1) PROHIBITION.—No employer of traveling sales crew workers shall—

(A) require any worker to purchase any goods or services solely from such employer;

(B) impose on any worker any of the employer's business expenses, such as the cost of maintaining and operating a vehicle used to transport the traveling sales crew;

(2) INCLUSION AS PART OF WAGES.—An employer may include as part of the wages paid to a traveling sales crew worker the reasonable cost to the employer of furnishing board, lodging, or other facilities to such worker, so long as—

(A) such facilities are customarily furnished by such employer to the employees of the employer; and

(B) such cost does not exceed the fair market value of such facility and does not include any profit to the employer;

(3) S AFETY AND HEALTH IN TRANSPORTATION.—

(1) STANDARDS.—An employer of traveling sales crew workers shall provide transportation of such workers in a manner that is consistent with the following standards:

(A) The employer shall ensure that each vehicle which the employer uses or causes to be used in such transportation conforms to the standards prescribed by the Secretary under paragraph (2) and conforms to other
applicable Federal and State safety standards.

(B) The employer shall ensure that each driver of each such vehicle has a valid and appropriate license, as provided by State law, throughout the occupancy.

(C) The employer shall have an insurance policy or fidelity bond in accordance with subsection (c).

(2) DETERMINATION BY SECRETARY.—The Secretary shall prescribe, by regulation, such safety and health standards as may be appropriate for vehicles used to transport traveling sales crew workers. In establishing such standards, the Secretary shall consider—

(A) the type of vehicle used;

(B) the passenger capacity of the vehicle;

(C) the distance which such workers will be carried in the vehicle;

(D) the type of roads and highways on which such workers will be carried in the vehicle;

(E) the extent to which a proposed standard would affect the ability of the operator of a vehicle to provide housing for such workers in a manner that is consistent with the following standards:

(1) If the employer owns or controls the facility or real property which is used for housing traveling sales crew workers, the employer shall be responsible for ensuring that the facility or real property complies with applicable Federal and State safety and health standards applicable to that housing. Prior to occupancy by such workers, the facility or real property shall be certified by a State or local health authority or other appropriate agency as meeting applicable safety and health standards.

(2) If the employer does not own or control the facility or real property which is used for housing traveling sales crew workers, the employer shall be responsible for ensuring that the owner or operator of such facility or real property complies with substantive Federal and State safety and health standards applicable to that housing. Such assurance by the owner or operator of such facility or real property is licensed and insured in accordance with all applicable State and local laws. The employer shall obtain such assurance prior to housing any employees in the facility or real property.

(3) INSURANCE OF VEHICLES; WORKERS’ COMPENSATION INSURANCE.—

(1) INSURANCE.—An employer of traveling sales crew workers shall ensure that there is in effect, for each vehicle used to transport such workers, an insurance policy or a liability bond, in such amount as to provide adequate liability coverage for damage to persons and property arising from the ownership, operation, or the causing to be operated of such vehicle for such purposes. The minimum level of insurance or liability bond required shall be determined by the Secretary, after consultation with such authorities as the Secretary deems necessary to ensure that such insurance or liability bond is adequate to provide adequate protection.

(B) ADMINISTRATIVE LAW JUDGE.—If a hearing is requested under subparagraph (A), the initial agency decision shall be made by an administrative law judge, and such decision shall become the final order unless the Secretary modifies or vacates this decision. Notice of intent to modify or vacate the decision shall be sent by registered or certified mail to the employer or person aggrieved by the decision, and to the Secretary, and such decision shall be issued to the parties within 90 days after the decision of the administrative law judge. A final order which takes effect under this paragraph shall be subject to review only as provided for under subparagraph (C).

(C) REVIEW.—An employer against whom an order imposing a civil money penalty has been issued shall be entitled to make a request for review under this section may obtain review by the United States district court for any district in which the employer is located, or the United States District Court for the District of Columbia, by filing a notice of appeal in such court within 30 days from the date of such order and simultaneously sending a copy of such notice to the Secretary, and the Secretary shall promptly certify and file in such court the record upon which the penalty was imposed. The findings of the Secretary shall be set aside only if found to be unsupported by substantial evidence as provided by section 703(c)(2)(E) of title 5, United States Code. Any final decision, order, or judgment of such District Court concerning such review shall be subject to appeal as provided in chapter 83 of title 28, United States Code.

(D) FAILURE TO PAY.—If any person fails to pay an assessment after it has become a final and unappealable order under this paragraph, after the final decision of the administrative law judge, and such decision shall be subject to review by the United States Court of Appeals for the Federal Circuit. If the Fortieth of the United States shall be paid into the Treasury of the United States.

(E) PAYMENT OF PENALTIES.—All penalties collected under authority of this section shall be paid into the Treasury of the United States.

(4) PRIVATE RIGHT OF ACTION.—

(A) IN GENERAL.—Any traveling sales crew worker aggrieved by a violation of this title, or any regulation promulgated under this title, may bring suit for a declaratory judgment in the appropriate United States district court. In such action, the validity and appropriateness of the final order imposing the penalty shall not be subject to review.

(B) DAMAGES.—

(i) DAMAGES.—In determining the amount of damages to be awarded in an action brought under this subsection, the court shall consider the amount of damages sustained by the aggrieved employee and the amount of current or future increased compensation which the aggrieved employee would have received but for the violation of this title.

(ii) DAMAGES.—In determining the amount of damages to be awarded in an action brought under this subsection, the court shall consider the amount of damages sustained by the aggrieved employee and the amount of current or future increased compensation which the aggrieved employee would have received but for the violation of this title.

(C) DAMAGES.—

(i) DAMAGES.—In determining the amount of damages to be awarded in an action brought under this subsection, the court shall consider the amount of damages sustained by the aggrieved employee and the amount of current or future increased compensation which the aggrieved employee would have received but for the violation of this title.

(ii) DAMAGES.—In determining the amount of damages to be awarded in an action brought under this subsection, the court shall consider the amount of damages sustained by the aggrieved employee and the amount of current or future increased compensation which the aggrieved employee would have received but for the violation of this title.

(D) DAMAGES.—

(i) DAMAGES.—In determining the amount of damages to be awarded in an action brought under this subsection, the court shall consider the amount of damages sustained by the aggrieved employee and the amount of current or future increased compensation which the aggrieved employee would have received but for the violation of this title.

(ii) DAMAGES.—In determining the amount of damages to be awarded in an action brought under this subsection, the court shall consider the amount of damages sustained by the aggrieved employee and the amount of current or future increased compensation which the aggrieved employee would have received but for the violation of this title.

(E) DAMAGES.—

(i) DAMAGES.—In determining the amount of damages to be awarded in an action brought under this subsection, the court shall consider the amount of damages sustained by the aggrieved employee and the amount of current or future increased compensation which the aggrieved employee would have received but for the violation of this title.

(ii) DAMAGES.—In determining the amount of damages to be awarded in an action brought under this subsection, the court shall consider the amount of damages sustained by the aggrieved employee and the amount of current or future increased compensation which the aggrieved employee would have received but for the violation of this title.

(F) DAMAGES.—

(i) DAMAGES.—In determining the amount of damages to be awarded in an action brought under this subsection, the court shall consider the amount of damages sustained by the aggrieved employee and the amount of current or future increased compensation which the aggrieved employee would have received but for the violation of this title.

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(G) DAMAGES.—

(i) DAMAGES.—In determining the amount of damages to be awarded in an action brought under this subsection, the court shall consider the amount of damages sustained by the aggrieved employee and the amount of current or future increased compensation which the aggrieved employee would have received but for the violation of this title.

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(ii) DAMAGES.—In determining the amount of damages to be awarded in an action brought under this subsection, the court shall consider the amount of damages sustained by the aggrieved employee and the amount of current or future increased compensation which the aggrieved employee would have received but for the violation of this title.

(i) DAMAGES.—

(A) IN GENERAL.—If the court in an action under paragraph (1) finds that the defendant knowingly violated any provision of this Act, or a regulation promulgated under this Act, the court may award—

(i) damages up to and including an amount equal to the amount of actual damages;

(ii) statutory damages of not more than $1,000 per plaintiff per violation or, if such complaint is certified as a class action, not more than $1,000,000 for all plaintiffs in the class;

(iii) such legal or equitable relief as may be appropriate.

(B) DAMAGES.—

(i) DAMAGES.—In determining the amount of damages to be awarded in an action brought under this subsection, the court shall consider the amount of damages sustained by the aggrieved employee and the amount of current or future increased compensation which the aggrieved employee would have received but for the violation of this title.

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(iii) DAMAGES.—In determining the amount of damages to be awarded in an action brought under this subsection, the court shall consider the amount of damages sustained by the aggrieved employee and the amount of current or future increased compensation which the aggrieved employee would have received but for the violation of this title.
recovery under subparagraph (A) of actual damages may be taken from an injury or property damage that is not prejudice recovery under such subparagraph for statutory damages (as provided for in clause (iii)) or equitable relief, except that such relief shall not include back pay or other monetary relief, or any other monetary relief that is otherwise paid or reimbursed, such agencies for expenses incurred pursuant to agreements under this paragraph.

(c) RULES AND REGULATIONS.—The Secretary may issue such rules and regulations as may be necessary to carry out this title, consistent with the requirements of chapter 5 of title 5, United States Code.

By Mrs. BOXER (for herself and Mrs. FERNSTEIN):


JOE SERNA, JR. UNITED STATES COURTHOUSE AND FEDERAL BUILDING

Mrs. BOXER. Mr. President, today I am introducing legislation to honor one of the finest mayors to serve in California. My state, particularly my constituents in Sacramento lost a great Californian this fall with the passing of Sacramento Mayor Joe Serna.

My bill will name the new Federal Courthouse at 501 I Street the “Joe Serna, Jr. United States Courthouse and Federal Building” in honor of his contributions to Sacramento and the working men and women of California. Joe Serna was a man of great vision, courage, energy, warmth, and humor.

He was also a living embodiment of the American Dream: a first-generation American who helped to reshape Sacramento and its system. He presided over an urban renaissance that transformed Sacramento and its California. My state, particularly my constituents in Sacramento lost a great Californian this fall with the passing of Sacramento Mayor Joe Serna.

Joe Serna was born in 1939, the son of Mexican immigrants. As the oldest of four children, Joe grew up in a bunkhouse and worked with his family in the beef fields around Lodi.

Mayor Serna never forgot his roots. After attending Sacramento City College and graduating from California State University, Sacramento, he served in the Peace Corps and went to work for the United Farm Workers, where Cesar Chavez became his mentor and role model.

After serving on the city’s redevelopment agency in the 1970s, Mayor Serna was elected to the Council himself in 1981. He was elected mayor in 1992 and re-elected in 1996, winning both races by wide margins. Throughout his terms in office, he continued to work as a professor of government and ethnic studies at his alma mater, Cal State Sacramento.

Mayor Serna virtually rebuilt the city of Sacramento. He forged public-private partnerships to lure the downtown, revitalize the neighborhoods, and reform the public school system. He presided over an urban renaissance that transformed Sacramento

November 19, 1999
CONGRESSIONAL RECORD—SENATE
31097

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into a dynamic modern metropolis. The new Sacramento Federal Building is a visible reminder of the redevelopment of Sacramento. Namcnor said, "I was supposed to live and die as a farm worker, not as a mayor and a college professor. I have everything to be thankful for. I have the people to thank for allowing me to be their mayor. I have society to thank for the opportunity it has given me."

Mr. President, it is we who are thankful today for having had such a man serve the people of California, and I ask my colleagues to support this legislation to honor the legacy of Joe Serna, Jr.

Mr. President, I ask that the text of the bill be printed in the RECORD.

The bill follows:

S. 1990

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

SECTION 1. DESIGNATION OF JOE Serna, JR. UNITED STATES COURTHOUSE AND FEDERAL BUILDING.

The Federal building located at 501 I Street in Sacramento, California, shall be known and designated as the "Joe Serna, Jr. United States Courthouse and Federal Building".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be a reference to the Joe Serna, Jr. United States Courthouse and Federal Building.

By Ms. SNOWE:

S. 1992. A bill to provide States with loans for the repair and rehabilitation of school buildings, and amendments to the Individuals with Disabilities Education Act (IDEA) Act—legislation that would address our nation’s burgeoning need for K-12 school construction, renovation, and repair.

Ms. SNOWE. Mr. President, I rise today to introduce the "Building, Renovating, Improving, and Constructing Kids’ Schools Act"—legislation that would address our nation’s burgeoning need for K-12 school construction, renovation, and repair. The legislation would accomplish this in a fiscally-responsible manner while seeking to find the middle ground between those who support a very direct, active federal role in school construction, and those who are concerned about an expanded federal role in what has been— and remains—a state and local responsibility.

Mr. President, the condition of many of our nation’s existing public schools is abysmal even as the need for additional schools and classroom space grows. Specifically, according to reports issued by the National Center for Education Statistics (NCES) in 1999 stated that the average public school in America is 42 years old, with school buildings beginning rapid deterioration after 40 years. In addition, the NCES brief found that 29 percent of all public schools are in the "oldest condition," which means that they were built prior to 1970 and have either never been renovated or were renovated prior to 1980.

Not only are our nation’s schools in need of repair and renovation, but there is a growing demand for additional space due to an ongoing surge in student enrollment.

In fact, according to the General Accountability Office (GAO), it will cost $112 billion just to bring our nation’s schools into good overall condition. Nowhere is this cost better understood than in my home state of Maine, where a recently-completed study by the Maine Department of Education and the State Board of Education determined that the cost of addressing the state’s school building and construction needs stood at $167 million.

Mr. President, simply cannot allow our nation’s schools to fall into utter disrepair and obsoulecence with children sitting in classrooms that have leaky ceilings or rotting walls. We cannot ignore the new for new schools as the record number of children enrolled in K-12 schools continues to grow.

Accordingly, because the cost of repairing and building these facilities may prove to be more than many state and local governments can bear in a fiscally-responsible manner, the federal government can and should assist Maine and other state and local governments in addressing this growing national crisis.

Admittedly, not all members support strong federal intervention in what has been historically a state and local responsibility. In fact, many argue with merit that the best form of federal assistance for school construction or other local educational needs would be in the form of block grants. In fulfilling the commitment to fund 40 percent of the cost of special education. This long-standing commitment was made when the Individuals with Disabilities Educa-
hold more than $40 billion in assets. The principal activity of the fund—which is controlled solely by the Secretary of the Treasury—is foreign exchange intervention that is intended to limit fluctuations in exchange rates. However, the fund has also been used to provide stabilization loans to foreign countries, including a $20 billion line of credit to Mexico in 1995 to support the peso.

In light of the controversial manner in which the ESF has been used, some have argued that additional constraints should be placed on the fund. Still others—including former Federal Reserve Board Governor Lawrence B. Lindsey—have stated that, for various reasons, the fund should be liquidated.

Regardless of how one feels about exercising greater constraint over the ESF or the role of the fund, I believe that this $40 billion fund can be used to bail out foreign currencies, it certainly can be used to help America’s schools.

Accordingly, I believe it is appropriate that the $20 billion in loans provided by my legislation will be made from the ESF—an amount identical to the line of credit that was extended to Mexico by the Secretary of the Treasury in 1995. Of importance, these loans will be made from the ESF on a progressive, annual basis—not in a sudden or immediate manner. Furthermore, these monies will be repaid to the fund with interest, to ensure that the ESF is compensated for the loans it makes.

Although the ESF will recoup all of the monies it lends plus interest, it should also be noted that my proposal ensures that state and local governments will not be forced to pay excessive interest—or that they will be forced to repay over an unreasonable time line. Specifically, my bill sets the interest on the loans at the average prime lending rate for the year in which the bonds are issued, with a cap of 4.5 percent—an amount that is lower than the prime lending rate in any of the previous 15 years. Furthermore, no payments will be owed—and no interest will accrue—until 2005, unless the federal government fulfills its commitment to fund 40 percent of the cost of special education prior to that time.

Combined, these provisions will minimize the cost of these loans to the states, and maximize the utilization of these loans for school construction, renovation, and repair.

Mr. President, by providing low-interest loans to states and local governments to support school construction, I believe that my bill represents a fiscally-responsible, centrist solution to a national problem.

For those who support a direct, active federal role in school construction, my bill provides substantial fiscal assistance by deducting $20 billion to leverage a significant amount of new school construction bonds. For those who are concerned about the federal government becoming overly-engaged in an historically state and local responsibility—and thereby stepping on local control—my bill directs that the monies provided to states will be repaid with interest, and that no onerous applications or demands are placed on states to receive their share of these monies.

Mr. President, I urge that my colleagues support the “BRICKS Act”—legislation that is intended to bridge the gap between competing philosophies on the federal role in school construction. Ultimately, if we work together, we can make a tangible difference in the condition of America’s schools without turning it into a partisan or ideological battle that is better suited to sound bites than actual solutions.

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. 1992
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 “Building, Renovating, Improving, and Constructing Kids’ Schools Act”.

SEC. 2. FINDINGS.
Congress makes the following findings:
(1) According to a 1999 issue brief prepared by the National Center for Education Statistics, the average public school in America is 42 years old, and school buildings begin rapid deterioration after 40 years. In addition, 20 percent of all public schools are in the oldest condition, meaning that the schools were built before 1970 and have either never been renovated or were renovated prior to 1990.
(2) According to reports issued by the General Accounting Office (GAO) in 1995 and 1996, America’s school construction and renovation needs will cost $112,000,000,000 to bring the Nation’s schools into good overall condition, and one-third of all public schools need extensive repair or replacement.
(3) Many schools do not have the appropriate infrastructure to support computers and other technologies that are necessary to prepare students for the jobs of the 21st century.
(4) Without impeding on local control, the Federal Government appropriately can assist State and local governments in addressing school construction, renovation, and repair needs by providing low-interest loans for purposes of paying interest on related bonds.

SEC. 3. DEFINITIONS.
In this Act:
(1) Bond.—The term “bond” includes any obligation.
(2) GOVERNOR.—The term “Governor” includes the chief executive officer of a State.
(3) LOCAL EDUCATIONAL AGENCY.—The term “local educational agency” has the meaning given to such term by section 14101 of the Elementary and Secondary Education Act of 1965.
(4) PUBLIC SCHOOL FACILITY.—The term public school facility shall not include:
(A) any stadium or other facility primarily used for athletic contests or exhibitions, or other events for which admission is charged to the general public; or
(B) any facility which is not owned by a State or local government or any agency or instrumentality of a State or local government.

(5) QUALIFIED SCHOOL CONSTRUCTION BOND.—The term “qualified school construction bond” means any bond issued as part of an issue if—
(A) 95 percent or more of the proceeds of such issue are to be used for the construction, rehabilitation, or repair of a public school facility or for the acquisition of land on which such a facility is to be constructed with part of the proceeds of such issue; and
(B) the bond is issued by a State entity or local government;
(C) the issuer designates such bonds for purposes of this section; and
(D) the term of each bond which is part of such issue does not exceed 15 years.

(6) STABILIZATION FUND.—The term “stabilization fund” means the stabilization fund established under section 5302 of title 31, United States Code.
(7) STATE.—The term “State” means each of the several States of the United States, the Commonwealth of Puerto Rico, the District of Columbia, the Commonwealth of the Northern Mariana Islands, the States of Idaho, Montana, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

SEC. 4. LOANS FOR SCHOOL CONSTRUCTION BOND INTEREST PAYMENTS.

(1) LOAN AUTHORITY.—

(A) IN GENERAL.—From funds made available to a State under section 5(b) the State shall make loans to State entities or local governments within the State to enable the entities and governments to make annual interest payments on qualified school construction bonds that are issued by the entities and governments not later than December 31, 2002.

(B) REQUESTS.—The Governor of each State desiring assistance under this Act shall submit a request to the Secretary of the Treasury at such time and in such manner as the Secretary of the Treasury may require.

(C) LOAN REPAYMENT.—Subject to paragraph (2), a State entity or local government that receives a loan under this Act shall repay to the stabilization fund the amount of the loan plus interest, at the average prime lending rate for the year in which the bond is issued, not to exceed 4.5 percent.

(2) EXCEPTION.—A State entity or local government shall not repay the amount of a loan made under this Act, plus interest, and the interest on a loan made under this Act shall accrue, prior to January 1, 2005, unless the amount appropriated to carry out part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.) for any fiscal year prior to fiscal year 2006 is sufficient to fully fund such part for the fiscal year at the originally promised level, which promised level would provide to each State 40 percent of the average per-pupil expenditure for providing special education and related services for each child with a disability in the State.

(c) FEDERAL RESPONSIBILITIES.—The Secretary of the Treasury and the Secretary of Education—

(A) jointly shall be responsible for ensuring that funds provided under this Act are properly distributed;

(B) shall ensure that funds provided under this Act are used to pay the interest on qualified school construction bonds; and

The Congress assembled,
(3) shall not have authority to approve or disapprove construction plans as
assisted pursuant to this Act, except to ensure that funds made available under this Act are used only to supplement, and not supplant, the amount of school construction, rehabilita-
tion, and repair in the State that would have occurred in the absence of such funds.

SEC. 5. AMOUNTS AVAILABLE TO EACH STATE.

(a) RESERVATION FOR INDIANS.—From $20,000,000,000 of the funds in the stabiliza-
tion fund, the Secretary of the Treasury shall make available $400,000,000 to Indian tribes for loans to enable the Indian tribes to make multifamily and single-family down payments on qualified school construction bonds in accordance with the requirements of this Act that the Secretary of the Treasury determines appro-

(b) AMOUNTS AVAILABLE.—

(1) IN GENERAL.—From $20,000,000,000 of the funds in the stabilization fund that are not reserved under subsection (a), the Secretary of the Treasury shall make available to each State submitting a request under section 4(a)(2) an amount equal to the amount the State received under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) for fiscal year 1999.

(2) DISBURSEMENT.—The Secretary of the Treasury shall disburse the amount made available to a State under paragraph (1), on an annual basis, during the period beginning on October 1, 2000, and ending September 30, 2007.

(c) NOTIFICATION.—The Secretary of the Treasury and the Secretary of Education jointly shall notify each State of the amount of funds the State may borrow under this Act.

By Mr. THOMPSON (for himself, and Mr. LIEBERMAN):

S. 1993. A bill to reform Government information security by strengthening information security practices throughout the Federal Government; to the Committee on Governmental Af-
fairs.

GOVERNMENT INFORMATION SECURITY ACT OF 1999

Mr. THOMPSON. Mr. President, I rise today to introduce a bill on behalf of myself as chairman of the Governmental Affairs Committee and Senator Lieberman, the Committee’s ranking minority member, on an issue of great importance to our committee and the nation—the security of Federal govern-
ment computer systems.

Over the last decade, the Federal Government, like most private-sector organizations, has become enormously dependent on interconnected computer systems, including the Internet, to support its operations and account for its assets (7 U.S.C. 631 et seq.). This interconnectivity has resulted in many benefits. In particular, it has increased productivity, made enormous amounts of useful information instantly available to millions of people, and contributed to the economic boom of the 1990s.

However, the factors that generate these benefits—widely accessible data and instantaneous communication—also increase the risks that informa-
tion will be misused, possibly to commit fraud or other crimes, or that sensitive information will be inappropriately disclosed. In addition, our gov-
ernment’s, as well as our nation’s, de-

We begin with the Paperwork Red-
uction Act of 1995 and the Clinger-
Cohen Act of 1996 left off. These laws, and the computer Security Act of 1987, provided the basic framework for managing information security. This legis-
lation which we introduce today will update and clarify existing require-
ments and responsibilities of Federal agencies in dealing with information security.

The Government Information Secu-

S. 1993

This Act may be cited as the “Government Information Security Act of 1999.”

SEC. 2. COORDINATION OF FEDERAL INFORMA-
TION POLICY.

Chapter 35 of title 44, United States Code, is amended by inserting at the end the fol-
lowing:

SUBCHAPTER II—INFORMATION SECURITY

*§ 3531. Purposes

“The purposes of this subchapter are to—

(1) provide a comprehensive framework for establishing and ensuring the effective-
ness of controls over information resources that support Federal operations and assets;
“(2)(A) recognize the highly networked nature of Federal Government information systems, including the need for Federal Government interoperability and, in the implementation of improved security management measures, assure the opportunities for interoperability are not adversely affected; and
“(B) provide effective government-wide management and oversight of the related information security risks, including coordination of information security efforts throughout the civilian, national security, and law enforcement communities;
“(3) development and maintenance of minimum controls required to protect Federal information and information systems; and
“(4) provide a mechanism for improved oversight of Federal agency information security programs.

“§ 3532. Definitions
“(a) Except as provided under subsection (b), the definitions under section 3502 shall apply to this subchapter.
“(b) As used in this subchapter the term ‘information technology’ has the meaning given that term in section 5022 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

“§ 3533. Authority and functions of the Director
“(a)(1) Consistent with subchapter I, the Director shall establish government-wide policies for the management of programs that support the cost-effective security of Federal information systems by promoting security as an integral component of each agency’s business operations.
“(2) Policies under this subsection shall—
“(A) be founded on a continuing risk management cycle that recognizes the need to—
“(i) identify, assess, and understand risk; and
“(ii) determine security needs commensurate with the level of risk;
“(B) implement controls that adequately address the risk;
“(C) promote continuing awareness of information security risk;
“(D) continually monitor and evaluate policy; and
“(E) control effectiveness of information security practices.

“§ 3534. Federal agency responsibilities
“(a) The head of each agency shall—
“(1) be responsible for—
“(A) adequately protecting the integrity, confidentiality, and availability of information and information systems supporting agency operations and assets; and
“(B) developing and implementing information security policies, procedures, and control techniques sufficient to afford security protections commensurate with the risk and magnitude of the harm resulting from unauthorized disclosure, disruption, modification, or destruction of information collected or maintained by or for the agency;
“(2) ensure that each senior program manager is responsible for—
“(A) assessing the information security risk associated with the operations and assets of such manager;
“(B) determining the levels of information security appropriate to protect the operations and assets of such manager; and
“(C) periodically testing and evaluating information security controls and techniques;
“(3) delegate to the agency Chief Information Officer established under section 3506, or to an agency official, or to a certifying official, the responsibilities of personnel in compliance with—
“(i) the integrity, confidentiality, and availability of systems; and
“(ii) the results of such tests and evaluations; and
“(4) provide a mechanism for improved oversight of Federal agency information security programs.

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“(B) developing and implementing information security policies, procedures, and control techniques sufficient to afford security protections commensurate with the risk and magnitude of the harm resulting from unauthorized disclosure, disruption, modification, or destruction of information collected or maintained by or for the agency;
“(2) ensure that each senior program manager is responsible for—
“(A) assessing the information security risk associated with the operations and assets of such manager;
“(B) determining the levels of information security appropriate to protect the operations and assets of such manager; and
“(C) periodically testing and evaluating information security controls and techniques;
“(3) delegate to the agency Chief Information Officer established under section 3506, or to an agency official, or to a certifying official, the responsibilities of personnel in compliance with—
“(i) the integrity, confidentiality, and availability of systems; and
“(ii) the results of such tests and evaluations; and
“(4) provide a mechanism for improved oversight of Federal agency information security programs.

“§ 3534. Federal agency responsibilities
“(a) The head of each agency shall—
“(1) be responsible for—
“(A) adequately protecting the integrity, confidentiality, and availability of information and information systems supporting agency operations and assets; and
“(B) developing and implementing information security policies, procedures, and control techniques sufficient to afford security protections commensurate with the risk and magnitude of the harm resulting from unauthorized disclosure, disruption, modification, or destruction of information collected or maintained by or for the agency;
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“(ii) the results of such tests and evaluations; and
“(4) provide a mechanism for improved oversight of Federal agency information security programs.
Sec. 3. Technical and Conforming Amendments.

(a) In General.—Chapter 35 of title 44, United States Code, is amended—

(1) in the table of sections—

(A) by inserting after the chapter heading 'CHAP. 4—INFORMATION SECURITY' the heading 'SUBCHAPTER I—FEDERAL INFORMATION SECURITY';

B. (b) in section 3501, by striking ''chapter'' and inserting ''subchapter'';

(c) in section 3502, in subsection (a), by striking ''chapter'' and inserting ''subchapter'';

(d) in section 3503, in subsection (b), by striking ''chapter'' and inserting ''subchapter'';

(e) in section 3504, in subsection (a), by striking ''chapter'' and inserting ''subchapter'';

(f) in section 3505, in subsection (a), by striking ''chapter'' and inserting ''subchapter'';

(g) in section 3506, in subsection (a), by striking ''chapter'' and inserting ''subchapter'';

(h) in section 3507, in subsection (a), by striking ''chapter'' and inserting ''subchapter'';

(i) in section 3508, in subsection (a), by striking ''chapter'' and inserting ''subchapter'';

(j) in section 3509, in subsection (a), by striking ''chapter'' and inserting ''subchapter'';

(k) in section 3510, by striking ''chapter'' and inserting ''subchapter'';

(l) in section 3511, by striking ''chapter'' and inserting ''subchapter'';

(m) in section 3512, by striking ''chapter'' and inserting ''subchapter'';

(n) in section 3513, by striking ''chapter'' and inserting ''subchapter'';

(o) in section 3514, by striking ''chapter'' and inserting ''subchapter'';

(p) in section 3515, by striking ''chapter'' and inserting ''subchapter'';

(q) in section 3516, by striking ''chapter'' and inserting ''subchapter'';

(r) in section 3517, by striking ''chapter'' and inserting ''subchapter'';

(s) in section 3518, by striking ''chapter'' and inserting ''subchapter'';

(t) in section 3519, by striking ''chapter'' and inserting ''subchapter'';

(u) in section 3520, by striking ''chapter'' and inserting ''subchapter'';

(v) in section 3521, by striking ''chapter'' and inserting ''subchapter'';

(w) in section 3522, by striking ''chapter'' and inserting ''subchapter'';

(x) in section 3523, by striking ''chapter'' and inserting ''subchapter'';

(y) in section 3524, by striking ''chapter'' and inserting ''subchapter'';

(z) in section 3525, by striking ''chapter'' and inserting ''subchapter'';

(aa) in section 3526, by striking ''chapter'' and inserting ''subchapter'';

(bb) in section 3527, by striking ''chapter'' and inserting ''subchapter'';

(cc) in section 3528, by striking ''chapter'' and inserting ''subchapter'';

(dd) in section 3529, by striking ''chapter'' and inserting ''subchapter'';
SEC. 5. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect 30 days after the date of enactment of this Act.

Mr. LIEBERMAN. Mr. President, I am pleased to join today with Senator THOMPSON in introducing the Government Information Security Act of 1999. This Act puts a management structure in place for the implementation of risk-based computer security measures across the government.

We are introducing this bill in the closing days of this session with the hope that it will serve as the basis for launching a discussion about the most effective ways to improve government’s approach to computer security. We invite and look forward to comments from government agencies, industry and academic experts, think tanks and others who have been involved in this field.

Like the rest of the nation, the government is increasingly dependent on computer and other electronic information systems collect, analyze and preserve important data and perform vital tasks. Government computer systems are rife with sensitive information pertaining to the fundamentals of our existence—our national security, the strength of our economy, transportation and communications systems, and the personal lives of millions of individual citizens. The Department of Defense and other national security agencies control our weapons of mass destruction and track the offensive movements of enemy states through automated systems wage information wars within the government dedicated to preserving and monitoring system. The Energy and Justice Departments are looking into this breach of security. What should be addressed quickly are the vulnerabilities and threats. Our bill would require agencies to use this reporting and monitoring system.

Mr. President, the provisions of this bill would apply to all information, including classified and unclassified information maintained on civilian and national security systems. We are also considering whether the bill’s provisions should apply to government-owned, contractor operated facilities including laboratories engaged in national defense research. We look forward to discussions with the defense and intelligence communities on how best to address these issues.

There are a number of areas we have not addressed, and I welcome comments on how best to handle these areas. We need to ensure that computer security systems will not interfere with the ability of agencies to share data and communicate with each other and the rest of the world. The new era of "e-business" and "e-government" holds untold opportunities for improving government efficiency, and that’s something we want to encourage.

The government needs to rapidly and safely increase the number of trained technical information security professionals. There are a range of approaches to addressing this need, including incentives to universities to train more people in this area; contracting out to the private sector; establishing a Cybermils program based on the ROTC model; or establishing special career designations for personnel specializing in computer security.

November 19, 1999

CONGRESSIONAL RECORD—SENATE 31103
We should consider whether current technology will meet the government’s computer security needs or whether we need to develop incentives for technology development. A Presidential advisory committee is developing recommendations based on a national laboratory model to conduct research and development of security technology with a possible secondary focus on testing.

We are interested in exploring whether provisions in this bill addressing risk and technology standards, which are now voluntary, consensus-based standards, should be issued as minimum mandatory requirements for successive levels of risk.

And we will also consider issues relating to budgetary needs, privacy requirements, performance measures and how best to align information security and management within the federal government.

Mr. President, I expect what we have proposed will generate a heated debate. As I have said, I consider this bill a work in progress, so I look forward to hearing from a wide range of interested parties and to working with the Chairman to craft the best possible legislation to protect the integrity and the confidentiality of the government’s vast storehouse of information.

By Mr. KERRY (for himself and Mr. BRYAN):

S. 1995. A bill to amend the Internal Revenue Code of 1986 to provide assistance to first-time homebuyers; to the Committee on Finance.

THE FIRST TIME HOMEBUYER AFFORDABILITY ACT

Mr. KERRY. Mr. President, earlier this week I laid out an agenda for rethinking the federal role in expanding the nation’s stock of affordable housing. Today, I am making a small downpayment on that promise with the First Time Homebuyer Affordability Act. This legislation, which I am introducing with Senator BRYAN, will create new homeownership opportunities for many Americans by allowing them to borrow from their Investment Retirement Accounts (IRAs), or their parents or grandparents IRAs, on a tax free basis for a downpayment on a first home. The legislation would also allow IRA funds to be used under an equity participation agreement. In both cases, the funds would have to be repaid to the IRA.

We have all talked about the importance of homeownership. Indeed, homeownership makes a very significant contribution to solving many social problems we face in America. Children of homeowners are less likely to become involved in the criminal justice system, they are less likely to drop out of school, or have children out of wedlock. Homeowners vote more often and participate more in community organizations and activities.

Yet, the single biggest barrier to homeownership is a downpayment. This legislation will help hundreds of thousands of homeowners surmount this barrier and realize the American dream.

Mr. President, it is ironic that IRAs today can be invested in almost any asset, including real estate investment trusts, except one’s own home. Yet, homeownership continues to be a winning investment, both for the family and the community.

Under current law, individuals may borrow up to $30,000 from their 401(k) retirement accounts to help buy home without paying taxes. This legislation would put IRAs on the same footing as 401(k) plans while unlocking $2 trillion in IRA saving to help families become homeowners. It has a number of unique features that make sure that the loan or investment will be repaid, with interest, or a taxes will be owed and a penalty assessed.

This is good legislation, which has been endorsed by the Mortgage Bankers Association, the National Association of Realtors, and the National Association of Homebuilders. I urge my colleagues to support this bill.

Mr. President, I ask unanimous consent that a letter of support be printed in the Record.

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

DEAR SENATOR: We are writing to add our support for your efforts to enhance homeownership opportunities through expanded use for first time homebuyers of their Individual Retirement Accounts (IRAs). We will work closely with you and your colleagues to include this important provision in the Senate Tax Bill.

The United States has recently achieved a record homeownership rate, rising home prices, combined with a significant downpayment hurdle, continue to put homeownership out of the reach of many families and individuals. Finding some way to overcome the downpayment issue is critical to the effort to make homeownership more affordable and obtainable for these families and individuals.

Your proposal provides this bridge to enhance homeownership for millions of Americans.

Your plan would build upon the penalty waiver provisions enacted in the 105th Congress to improve access to the $2 trillion held in IRAs, to facilitate ownership for millions of Americans.

The plan would eliminate such tax consequences by allowing an individual to borrow up to $10,000 from their IRA account or their parent’s IRA account, for a first time home purchase without a tax penalty. IRA funds may also be used under an equity sharing arrangement.

At present, holders of 401(k) retirement accounts may borrow up to 50 percent of account assets, with a floor of $10,000 and a ceiling of $50,000, for any personal use. However, borrowing from an IRA account is prohibited, even for a first time home purchase.

We will work with you to move this key provision forward to enhance and expand homeownership for all Americans.

Sincerely,

Mortgage Bankers Association of America.
National Association of Realtors.
National Association of Home Builders.

By Mr. KOHL:

S. 1995. A bill to amend the National School Lunch Act to revise the eligibility of private organizations under the child and adult care food program; to the Committee on Agriculture, Nutrition, and Forestry.

LEGISLATION TO AMEND THE NATIONAL SCHOOL LUNCH ACT TO REVISE THE ELIGIBILITY OF PRIVATE ORGANIZATIONS UNDER THE CHILD AND ADULT CARE FOOD PROGRAM

Mr. KOHL. Mr. President, I rise today to introduce legislation that will correct an unintended obstacle in current law and expand the number of low-income children in child care centers that receive nutritious meals through the Child and Adult Care Food Program. The current CACFP law provides for subsidies to proprietary child care centers for the nutritious meals they serve children, provided that at least 25% of the participants receive Title XX subsides. This provision was included to encourage private child care providers to serve more low-income children, by providing funds to reimburse the costs of providing meals. When the law was enacted in 1981, it made sense to tie CACFP funds to Title XX, because Title XX was the primary source of Federal child care assistance at that time.

As we all know, however, the Child Care Development Block Grant has since become the States’ primary funding source for child care assistance, while Title XX funds are being used primarily for other social service needs. This means that although many proprietary child care centers have enrollments with over 25% low-income children, those who no longer receive Title XX are no longer eligible for the CACFP meal subsidy.

Thirty-eight States are currently using small amounts of their Title XX funds for child care subsidies so that at least some of the otherwise eligible children will receive meals in proprietary centers. In Wisconsin, for example, 65 proprietary centers are currently participating in the CACFP program, serving 3,284 children. However, if all eligible centers were able to participate, those numbers could increase to 149 proprietary centers serving 8,195 children, an increase of 4,901 children. A simple change in the law to reflect the current nature of Federal child care assistance could lead to Wisconsin receiving nearly $2,975,000 each year in Federal food subsidies for low-income children in child care.
The bill I introduce today is simple. It would eliminate the outdated requirement that eligible children receive Title XX funds in order to trigger the CACFP meal subsidy. This would allow proprietary centers to participate in CACFP if at least 25% of the children they serve are eligible for a food nutrition subsidy. This change will ensure that proprietary centers will be able to continue to serve low-income children. It reduces pressure on proprietary centers to increase their rates for non-subsidized children to recover the costs of unreimbursed meals for subsidized children. It preserves the right of parents, including low-income parents, to choose the quality child care center that is most appropriate for their children. And most importantly, this change reinforces the original intent of the law: to ensure that eligible children in proprietary child care centers have the benefit of a nutritious meal. I hope that all of my colleagues will join me in cosponsoring this legislation and I look forward to working for its swift passage when Congress reconvenes in January. 

By Mr. BINGAMAN:

S. 1997. A bill to simplify Federal oil and gas revenue distributions, and for other purposes; to the Committee on Energy and Natural Resources.

MINERAL REVENUE PAYMENTS CLARIFICATION ACT OF 1999

Mr. BINGAMAN. Mr. President, today, I am introducing legislation which will end the practice of charging States for costs the Federal Government incurs in managing Federal mineral leases.

The Mineral Revenue Payments Clarification Act of 1999 will eliminate net receipts sharing, allowing Federal agencies to more rationally and fairly apportion to States their share of Federal mineral revenues.

Since enactment of the Mineral Leasing Act in 1920, Congress has determined that it was fair and appropriate to share with States a portion of the money received by the United States for Federal mineral leases located within the State. Under current law, for most mineral leases the State share is 50 percent, except for Alaska which receives 90 percent.

In 1993, a permanent provision was added to the Omnibus Appropriations Act that requires the Department of the Interior to deduct from a State's share 50 percent of the Federal Government's costs of administering Federal mineral leases within that State. This new requirement substantially lowers the amounts States receive, but was added without either explanation or justification as to why such a deduction is either fair or appropriate.

Furthermore, the statutory procedures for figuring these deductions are cumbersome to the point of being unworkable. The Federal agencies charged with administering these requirements have found them difficult, and sometimes impossible, to implement in any consistent fashion.

In November of 1997, the Inspector General of the Department of the Interior found that the Department had inaccurately calculated the costs incurred in administering the Federal onshore mineral leasing program, resulting in substantial overcharges to States. This issue has yet to be fully resolved by the Department of the Interior.

Needless to say, this complicated and unjustified provision has been controversial with the States and unpopular with the Federal agencies charged with administering it. It penalizes States while creating administrative nightmares for the Federal Government. It is time to do away with this unwieldy provision.

Therefore, I am introducing The Mineral Revenue Payments Clarification Act of 1999, which will eliminate this provision and provide that States' shares of payments under Federal mineral leases will not be reduced by administrative or other costs incurred by the United States. I believe that this will return a system that is both fair, and capable of being administered in a reasonable fashion.

ADDITIONAL COSPONSORS

S. 92

At the request of Mr. DOMENICI, the name of the Senator from Idaho (Mr. BAYH) was added as a co-sponsor of S. 92, a bill to provide for biennial budget process and a biennial appropriations process and to enhance oversight and the performance of the Federal Government.

S. 329

At the request of Mr. ROBB, the name of the Senator from Maine (Ms. SNOWE) was added as a co-sponsor of S. 329, a bill to amend title 38, United States Code, to extend eligibility for hospital care and medical services under chapter 17 of that title to veterans who have been awarded the Purple Heart, and for other purposes.

S. 345

At the request of Mr. ALLARD, the names of the Senator from New Jersey (Mr. TORRICELLI) and the Senator from Indiana (Mr. LUGAR) were added as co-sponsors of S. 345, a bill to amend the Animal Welfare Act to remove the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 414

At the request of Mr. GRASSLEY, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a co-sponsor of S. 414, a bill to amend the Internal Revenue Code of 1986 to provide a 5-year extension of the credit for producing electricity from wind, and for other purposes.

S. 486

At the request of Mr. ROBB, his name was added as a co-sponsor of S. 486, a bill to provide for the punishment of methamphetamine laboratory operators, provide additional resources to combat methamphetamine production, trafficking, and abuse in the United States, and for other purposes.

At the request of Mr. KERREY, his name was added as a co-sponsor of S. 486, supra.

At the request of Mr. ASHCROFT, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 486, supra.

At the request of Mr. HATCH, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a co-sponsor of S. 486, supra.

At the request of Mr. DASCHLE, his name was added as a co-sponsor of S. 486, supra.

S. 655

At the request of Mr. SANTORUM, his name was added as a cosponsor of S. 655, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, non-repairable, and rebuilt vehicles.

S. 1006

At the request of Mr. Baucus, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 1006, a bill to modify the standards for responding to import surges under section 201 of the Trade Act of 1974, to establish mechanisms for import monitoring and the prevention of circumvention of United States trade laws, and to strengthen the enforcement of United States trade remedy laws.

S. 1028

At the request of Mr. HATCH, the name of the Senator from Nevada (Mr. REID) was added as a co-sponsor of S. 1028, a bill to simplify and expedite access to the Federal courts for injured parties whose rights and privileges, secured by the United States Constitution, have been deprived by final actions of Federal agencies, or other government officials or entities acting under color of State law, and for other purposes.

S. 1029

At the request of Mr. COCHRAN, the name of the Senator from Louisiana (Mr. BREAUX) was added as a cosponsor of S. 1029, a bill to amend title III of the Elementary and Secondary Education Act of 1965 to provide for digital education partnerships.

S. 1109

At the request of Mr. McCONNELL, the names of the Senator from Nebraska (Mr. KERREY) and the Senator from Maine (Ms. COLLINS) were added as cosponsors of S. 1109, a bill to conserve global bear populations by prohibiting the importation, exportation,