

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. KOHL (for himself and Mr. FEINGOLD):

S. 567. A bill to amend the Dairy Production Stabilization Act of 1983 to ensure that all persons who benefit from the dairy promotion and research program contribute to the cost of the program; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. THOMAS:

S. 568. A bill to allow the Department of the Interior and the Department of Agriculture to establish a fee system for commercial filming activities in a site or resource under their jurisdictions; to the Committee on Energy and Natural Resources.

By Mr. GRASSLEY (for himself, Mr. CONRAD, and Mr. GRAMS):

S. 569. A bill to amend the internal revenue Code of 1986 to exclude certain farm rental income from net earnings from self-employment if the taxpayer enters into a lease agreement relating to such income; to the Committee on Finance.

By Mr. HELMS:

S. 570. A bill to amend chapter 3 of title 28, United States Code, to eliminate 2 vacant judgeships on the Fourth Circuit Court of Appeals, and for other purposes; to the Committee on the Judiciary.

S. 571. A bill to amend chapter 5 of title 28, United States Code, to eliminate a vacant judgeship in the eastern district and establish a new judgeship in the western district of North Carolina, and for other purposes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KOHL (for himself and Mr. FEINGOLD)

S. 567. A bill to amend the Dairy Production Stabilization Act of 1983 to ensure that all persons who benefit from the dairy promotion and research program contribute to the cost of the program; to the Committee on Agriculture, Nutrition, and Forestry.

THE DAIRY PROMOTION FAIRNESS ACT

Mr. KOHL. Mr. President, I rise today to join Senator FEINGOLD to introduce the "Dairy Promotion Fairness Act." This measure will further our nation's dairy marketing board's efforts to promote the consumption of healthy dairy products produced by family dairy farms and to fund research critical to the development of new dairy products.

This effort is needed as a matter of fairness to our nation's dairy farmers. When enacted, our legislation will require that all dairy producers whose products are sold in the United States contribute to the promotional effort. Currently, domestic producers of dairy products like cheese, butter, and yogurt, all pay a promotional fee to help promote the dairy products produced in this country. Importers do not pay this fee.

I was extremely surprised to find out that dairy producers can import these

goods into the United States and not contribute to the promotional sales efforts sponsored by our domestic industry. This change will require those selling incoming products to contribute the same assessment as the domestic dairy farmers do.

This bill supports the dairy marketing board's efforts to educate consumers on the nutritional value of dairy products. It also treats our farmers fairly—by asking them not to bear the entire financial burden for a promotional program that benefits importers and domestic producers alike. 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. 567

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 "Dairy Promotion Fairness Act".

SEC. 2. FUNDING OF DAIRY PROMOTION AND RESEARCH PROGRAM.

(a) DECLARATION OF POLICY.—Section 110(b) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4501(b)) is amended in the first sentence—

(1) by inserting after "commercial use" the following: "and on imported dairy products"; and

(2) by striking "products produced in the United States." and inserting "products.".

(b) DEFINITIONS.—Section 111 of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4502) is amended—

(1) in subsection (k), by striking "and" at the end;

(2) in subsection (l), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(m) the term 'imported dairy product' means any dairy product that is imported into the United States, including dairy products imported into the United States in the form of—

"(1) milk and cream and fresh and dried dairy products;

"(2) butter and butterfat mixtures;

"(3) cheese; and

"(4) casein and mixtures; and

"(n) the term 'importer' means a person that imports an imported dairy product into the United States.".

(c) CONTINGENT REPRESENTATION OF IMPORTERS ON BOARD.—Section 113(b) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4504(b)) is amended—

(1) by inserting "NATIONAL DAIRY PROMOTION AND RESEARCH BOARD.—" after "(b)";

(2) by designating the first through ninth sentences as paragraphs (1) through (5) and paragraphs (7) through (10), respectively, and indenting appropriately;

(3) in paragraph (2) (as so designated), by striking "Members" and inserting "Except as provided in paragraph (6), the members"; and

(4) by inserting after paragraph (5) (as so designated) the following:

"(6) IMPORTERS.—

"(A) IN GENERAL.—If representation of importers of imported dairy products is required on the Board by another law or a treaty to which the United States is a party, the Secretary shall appoint not more than 2

members who are representatives of importers.

"(B) ADDITIONAL MEMBERS; PROCEDURES.—The members appointed under this paragraph—

"(i) shall be in addition to the members appointed under paragraph (2); and

"(ii) shall be appointed from nominations submitted by importers under such procedures as the Secretary determines to be appropriate.".

(d) IMPORTER ASSESSMENT.—Section 113(g) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4504(g)) is amended—

(1) by inserting "ASSESSMENTS.—" after "(g)";

(2) by designating the first through fifth sentences as paragraphs (1) through (5), respectively, and indenting appropriately; and

(3) by adding at the end the following:

"(6) IMPORTERS.—

"(A) IN GENERAL.—The order shall provide that each importer of imported dairy products shall pay an assessment to the Board in the manner prescribed by the order.

"(B) RATE.—The rate of assessment on imported dairy products shall be determined in the same manner as the rate of assessment per hundredweight or the equivalent of milk.

"(C) VALUE OF PRODUCTS.—For the purpose of determining the assessment on imported dairy products under subparagraph (B), the value to be placed on imported dairy products shall be established by the Secretary in a fair and equitable manner.".

(e) RECORDS.—Section 113(k) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4504(k)) is amended in the first sentence by striking "person receiving" and inserting "importer of imported dairy products, each person receiving".

Mr. FEINGOLD. Mr. President, I rise in strong support of legislation introduced by the senior Senator from my home State of Wisconsin. Today, Senator KOHL has introduced a measure important not only to Wisconsin's dairy farmers but to dairy farmers all over the country.

The National Dairy Promotion and Research Program collects roughly \$225 million every year from American dairy farmers, who each pay a mandatory 15 cents into the program for every 100 pounds of milk they produce. This program is designed to promote dairy products to consumers and to conduct research relating to milk processing and marketing.

While 15 cents may appear to be a small amount of money, multiplied by all the millions of pounds of milk marketed in this country, it adds up to thousands of dollars each year for the average domestic producer. Given the magnitude of this program, it is critical that Congress take seriously the concerns producers have about the way their promotion program is run. This legislation addresses one of the most important of those concerns: importers reap the same promotional benefits as their U.S. counterparts, yet they don't pay a dime into the program.

The National Dairy Promotion and Research Board conducts generic promotion and general product research. Domestic farmers and importers alike benefit from these actions. This bill,

Mr. President, provides equity to domestic producers who have been footing the bill for this promotion program all by themselves for over 10 years.

The Dairy Promotion Fairness Act requires that all dairy product importers contribute to the Dairy Promotion Program at the same rate as domestic dairy farmers. This is not an unusual proposal, Mr. President. Many of our largest generic promotion programs for other commodities already assess importers for their fair share of the program, including programs for pork, beef, and cotton.

This legislation is particularly important in light of the 1994 passage of the General Agreement on Tariffs and Trade (GATT). GATT has boosted imports of dairy products in the past several years. A dairy promotion assessment on importers would also be allowed under GATT since our own milk producers are already paying the same assessment.

We have put our own producers at a competitive disadvantage for far too long. It's high time importers paid for their fair share of this program. I urge my colleagues to support this legislation and to end the subsidization of foreign farmers on the backs of our own.

By Mr. THOMAS:

S. 568. A bill to allow the Department of the Interior and the Department of Agriculture to establish a fee system for commercial filming activities in a site or resource under their jurisdictions; to the Committee on Energy and Natural Resources.

LEGISLATION TO ESTABLISH A FEE SYSTEM FOR COMMERCIAL FILMING ACTIVITIES

Mr. THOMAS. Mr. President, I rise today to introduce legislation which would allow the Department of the Interior and the Department of Agriculture to charge a fee when commercial filming activities take place on public lands in their jurisdiction. This legislation is another important part of our efforts to preserve and protect the pristine beauty of our national parks and other public lands. A similar version of this legislation was included in S. 1693, the Vision 2020, National Parks Restoration Act, when that bill passed the Senate. Unfortunately, the language was removed from that bill when it passed the House of Representatives.

The purpose of this measure is very simple. When commercial film companies use our nation's public lands, they should pay for that privilege. Our nation's parks and other lands provide an outstanding backdrop for the commercial film industry and we should ensure that these areas are not negatively impacted by that use.

This legislation is not designed as a "bash Hollywood" bill. I want to commend the commercial film industry for their efforts to work with me and other members of Congress to find a reason-

able solution to this matter. Although there are those in the industry who do not want to pay for the use of these lands, by and large the film industry is willing to pay a fee for filming on public lands as long as it is reasonable, understandable and fair. I believe the bill I am introducing today meets all of those criteria.

Let me take a few moments to outline this measure. The legislation would authorize both the Secretary of the Interior and Secretary of Agriculture to charge a reasonable fee for commercial filming activities on federal lands in their jurisdiction. The fee will be based on a number of criteria including; the number of days the filming takes place within the areas, the size of the film crew and the amount and type of equipment used. The agencies would also be directed to recover any costs incurred as a result of filming activities such as administrative and personnel costs. All of the fees charged for film activities would stay at the site where they are collected.

We have also included language in this bill to address the issue of still photography on public lands. As we worked to craft the parks bill last year, we heard from a large number of still photographers who were worried about the impact this legislation would have on them. In order to address those concerns, we have included language in our bill exempting still photography unless the agency determines that this activity will disrupt the public's use and enjoyment of the resource. I believe this is a fair way to address this question.

Mr. President, the time has come to establish a film fee system on our nation's public lands that is sensible and understandable. Once again, I want to stress that this bill is not designed to punish the film industry. Instead, this measure will benefit both the public and the film industry by establishing simple and understandable system for operating on federal lands. Establishing a sound fee system for filming on public lands can be a "win-win" for the public and the film industry and I hope the Senate will take quick action on this important measure.

By Mr. GRASSLEY (for himself, Mr. CONRAD, and Mr. GRAMS):

S. 569. A bill to amend the Internal Revenue Code of 1986 to exclude certain farm rental income from net earnings from self-employment if the taxpayer enters into a lease agreement relating to such income; to the Committee on Finance.

THE FARM INDEPENDENCE ACT OF 1999

Mr. GRASSLEY. Mr. President, today, along with Senators CONRAD and GRAMS of Minnesota, I am introducing a bill to exempt certain farm rental income from the self-employment tax.

The self-employment tax has been applied equally to farmers and other

business people for the last 40 years. Our bill would ensure equality in the future. It states that farm landlords should be treated the same as small business people and other commercial landlords, and they should not have to pay self-employment tax on cash rent income.

The current law is drafted to ensure that self-employment tax applies to income from labor or employment. Farm landlords were only taxed when they participated in the operation of the farm. Income from cash rent represents the value of ownership or equity in land, not labor or employment. Therefore, the self-employment tax should not apply to income from cash rent. Yet, this is not they way that the Internal Revenue Service drafted its technical advice memorandum on this matter. This has resulted in farmers and retired farmers now paying a 15.3 percent self-employment tax on cash rent.

The IRS has gone too far. The law should be what people have counted on for 40 years. Unless there is an act of Congress, history should be respected. The test of time will prove that the taxpayer was right and that the IRS was wrong, particularly now that there is a difference between the farm and city sector. Therefore, we are introducing this bill so that farmers and retired farmers will not be singled out unfairly by the IRS.

Specifically, this legislation would remove the code's ambiguity and recapture its original intent. The legislation would clarify that when the IRS is applying the self-employment tax to cash rent farm leases, it would limit its applicability to the lease agreement. This is not an expansion of the law of taxpayers. Rather, it would limit the anti taxpayer expansion initiated by the Internal Revenue Service. The tax law does not require cash rent landlords in cities to pay the self-employment tax. Indeed cash rent farm landlords are the only ones required to pay the tax. This is due to a 40-year-old exception that allowed the retired farmers of the late 1950's to become vested in the Social Security system.

The law originally imposed the tax on farm landlords only when their lease agreements with the renters required them to participate in the operation of the farm and in the farming of the land.

Forty years later, the IRS has expanded the application of self-employment tax for farmland owners. The tax court told the IRS that in one particular instant they could look beyond the lease agreement. On this very limited authority, the IRS has expanded one tax court case into national tax policy.

Our legislation will bring fairness between farmer landlords and urban landlords. It will clarify that the IRS should examine only the lease agreement. It would preserve the pre-1996

status quo. It would preserve the historical self-employment tax treatment of farm rental agreements, equating them with landlords in small businesses and commercial properties. The 1957 tax law was designed to benefit retired farmers of that generation so they would qualify for Social Security.

Congress does not intend that farm owners be treated differently from other real estate owners, other than they have been historically. We need clarity provided in our legislation in order to turn back an improper, unilateral, and targeted IRS expansion of settled tax law.

I urge my colleagues to join us in addressing this unfair position taken by the Internal Revenue Service.

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. 569

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 "Farm Independence Act of 1999".

SEC. 2. WRITTEN AGREEMENT RELATING TO EXCLUSION OF CERTAIN FARM RENTAL INCOME FROM NET EARNINGS FROM SELF-EMPLOYMENT.

(a) INTERNAL REVENUE CODE.—Section 1402(a)(1)(A) of the Internal Revenue Code of 1986 (relating to net earnings from self-employment) is amended by striking "an arrangement" and inserting "a lease agreement".

(b) SOCIAL SECURITY ACT.—Section 211(a)(1)(A) of the Social Security Act is amended by striking "an arrangement" and inserting "a lease agreement".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

ADDITIONAL COSPONSORS

S. 174

At the request of Mr. MOYNIHAN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 174, a bill to provide funding for States to correct Y2K problems in computers that are used to administer State and local government programs.

S. 336

At the request of Mr. LEVIN, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 336, a bill to curb deceptive and misleading games of chance mailings, to provide Federal agencies with additional investigative tools to police such mailings, to establish additional penalties for such mailings, and for other purposes.

S. 343

At the request of Mr. BOND, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 343, a bill to amend the Internal Revenue

Code of 1986 to allow a deduction for 100 percent of the health insurance costs of self-employed individuals.

S. 398

At the request of Mr. CAMPBELL, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 398, a bill to require the Secretary of the Treasury to mint coins in commemoration of Native American history and culture.

S. 429

At the request of Mr. DURBIN, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 429, a bill to designate the legal public holiday of "Washington's Birthday" as "Presidents' Day" in honor of George Washington, Abraham Lincoln, and Franklin Roosevelt and in recognition of the importance of the institution of the Presidency and the contributions that Presidents have made to the development of our Nation and the principles of freedom and democracy.

S. 471

At the request of Mr. GRASSLEY, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 471, a bill to amend the Internal Revenue Code of 1986 to eliminate the 60-month limit on student loan interest deductions.

S. 472

At the request of Mr. GRASSLEY, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 472, a bill to amend title XVIII of the Social Security Act to provide certain medicare beneficiaries with an exemption to the financial limitations imposed on physical, speech-language pathology, and occupational therapy services under part B of the medicare program, and for other purposes.

S. 486

At the request of Mr. ASHCROFT, the names of the Senator from Oklahoma (Mr. NICKLES), the Senator from South Carolina (Mr. THURMOND), and the Senator from Arizona (Mr. KYL) were added as cosponsors 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.

S. 494

At the request of Mr. GRAHAM, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 494, a bill to amend title XIX of the Social Security Act to prohibit transfers or discharges of residents of nursing facilities as a result of a voluntary withdrawal from participation in the medicare program.

S. 517

At the request of Mr. GRAHAM, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 517, a bill to assure access under group health plans and health in-

surance coverage to covered emergency medical services.

S. 559

At the request of Mr. GRAMM, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 559, a bill to designate the Federal building located at 33 East 8th Street in Austin, Texas, as the "J.J. "Jake" Pickle Federal Building."

NOTICE OF HEARING

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will meet on Wednesday, March 10, 1999, in SR-328A at 8 a.m. The purpose of this meeting will be to review the nature of agricultural production and financial risk, the role of insurance and futures markets, and what is and what should be the Federal Government's role in helping farmers manage risk.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. CRAIG. Mr. President, I ask unanimous consent that the full Committee on Armed Services be authorized to meet on Tuesday, March 9, 1999, at 9:30 a.m. in closed session, to receive testimony on U.S. Government policies and programs to combat terrorism.

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

COMMITTEE ON ARMED SERVICES

Mr. CRAIG. Mr. President, I ask unanimous consent that the full Committee on Armed Services be authorized to meet on Tuesday, March 9, 1999, at 10:45 a.m. in open session, to receive testimony on U.S. Government policies and programs to combat terrorism.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. CRAIG. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, March 9, 1999, at 10 a.m. and 2 p.m. to hold two hearings.

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

COMMITTEE ON THE JUDICIARY

Mr. CRAIG. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, March 9, 1999, at 10 a.m. in room 226 of the Senate Hart Office Building to hold a hearing on Interstate Alcohol Sales and the 21st Amendment.

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